

PERSI INVESTMENT REPORT

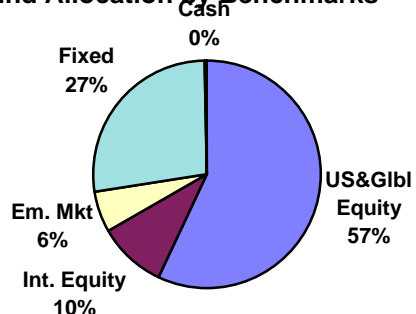
Month to Date Report

December 31, 2005

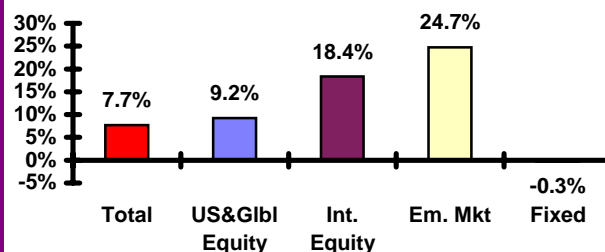
| | | |
|------------------------------------|----|---------------|
| CURRENT VALUE OF THE FUND | \$ | 9,227,400,147 |
| FISCAL YEAR CHANGE IN MARKET VALUE | \$ | 665,479,405 |
| FISCAL YEAR TO DATE RETURNS | | 7.7% |
| MONTH TO DATE RETURNS | | 1.6% |

| <u>Month Returns</u> | | <u>Fiscal Year Returns</u> | | <u>Five Year Returns</u> | |
|-----------------------|-------------|----------------------------|--------------|--------------------------|-------------|
| Total Fund | 1.6% | Total Fund | 7.7% | Total Fund | 5.4% |
| 55-15-30 Policy | 1.0% | 55-15-30 Policy | 5.6% | 55-15-30 Policy | 3.9% |
| U.S Equity | 0.1% | U.S Equity | 7.3% | U.S Equity | 2.5% |
| R3000 | 0.1% | R3000 | 6.1% | R3000 | 1.6% |
| Global Equity | 2.9% | Global Equity | 13.6% | Global Equity | 6.0% |
| MSCI World | 2.1% | MSCI World | 10.4% | MSCI World | 2.6% |
| Foreign Equity | 4.8% | Foreign Equity | 18.4% | Foreign Equity | 6.6% |
| MSCI EAFE | 4.6% | MSCI EAFE | 14.9% | MSCI EAFE | 4.9% |
| Fixed Income | 1.1% | Fixed Income | -0.3% | Fixed Income | 7.0% |
| Leh Agg | 1.0% | Leh Agg | -0.1% | Leh Agg | 5.9% |

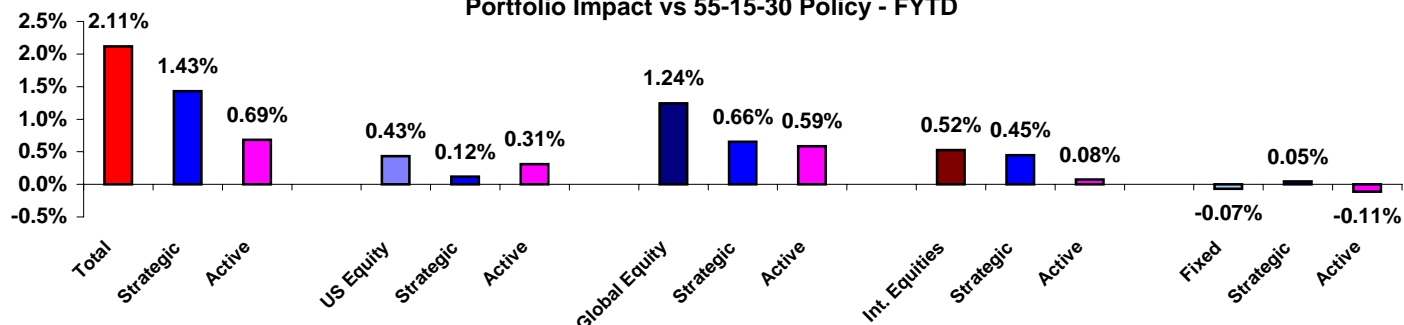
Fund Allocation by Benchmarks

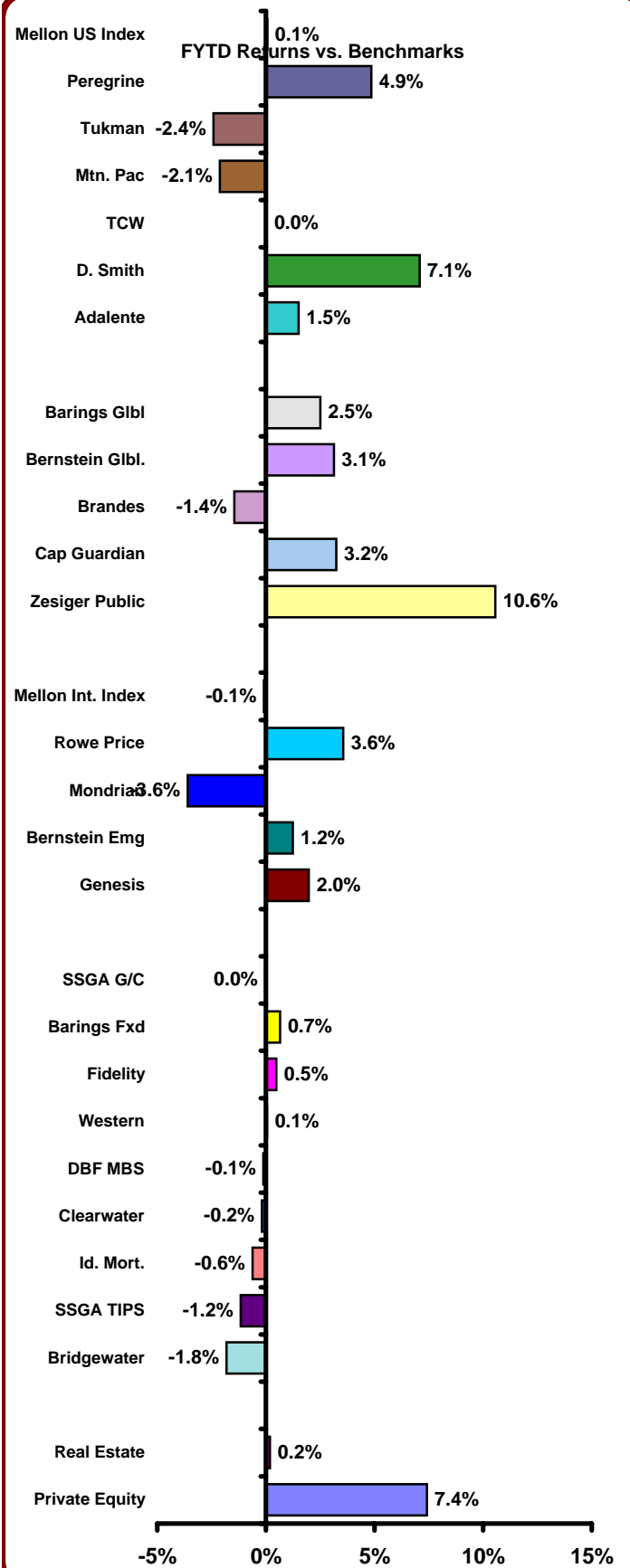
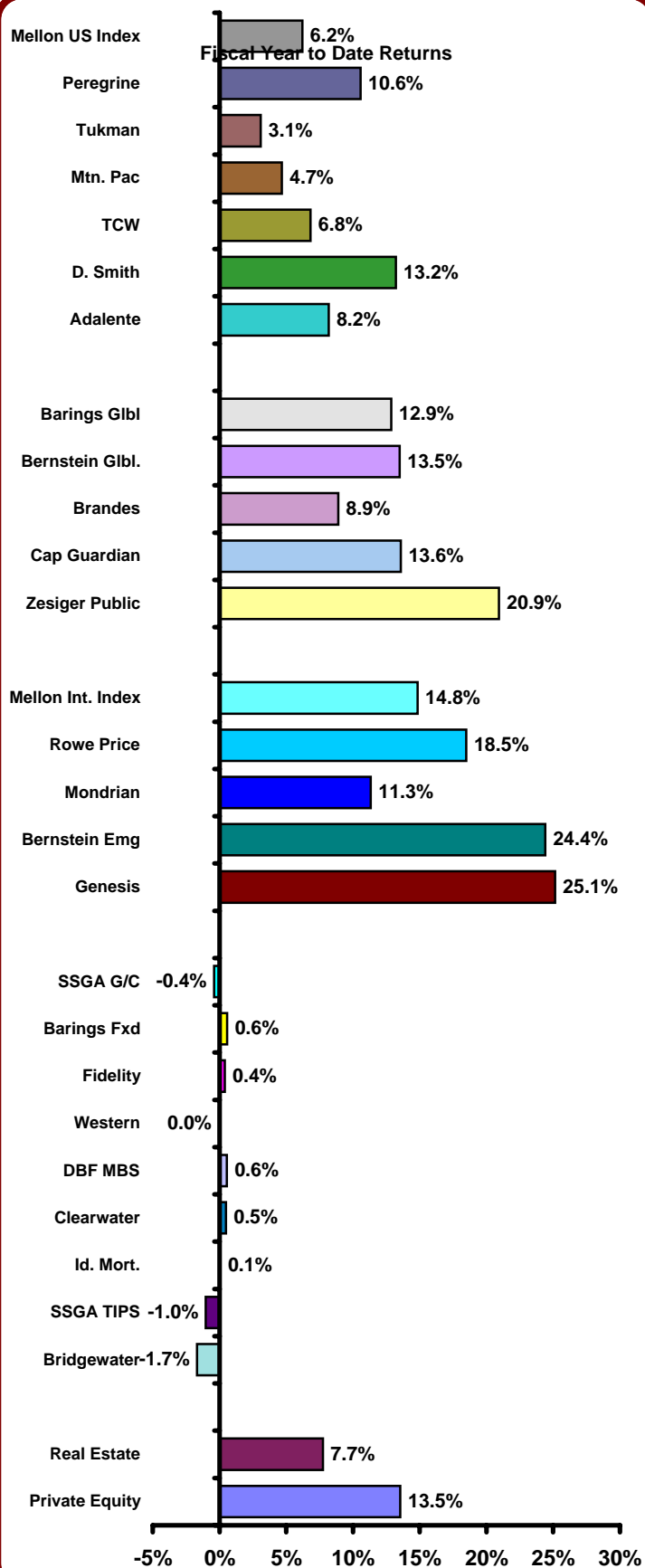


Fiscal Year To Date - Total Returns



Portfolio Impact vs 55-15-30 Policy - FYTD





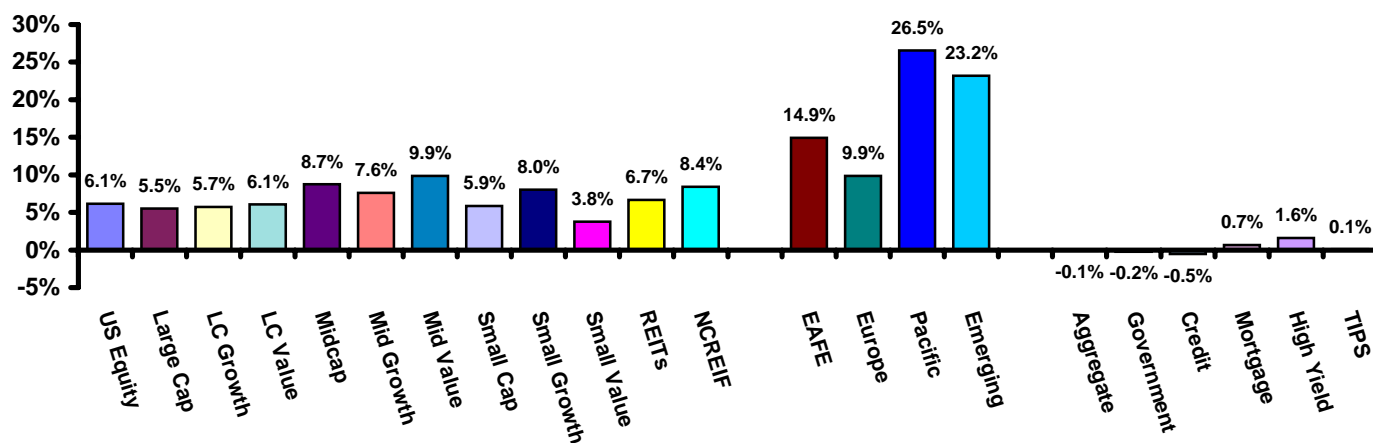
CIO Comment

December saw the international equity market showing strength, while the US equity market trended sideways. The major market action continues to revolve around perceptions about the length and magnitude of the Federal Reserve increases in the short term interest rates, but a continued strong economy, good corporate profits, and moderating energy prices have supported the equity markets, while bonds had a rare good month as concerns about incipient inflation eased and the end appeared in sight for Fed rate hikes. The fund gained 1.6% this month, and is up 7.7% for the fiscal year to date (and a relatively strong 8.9% for the calendar year), continuing above the \$9 billion level. Emerging markets and the Pacific (primarily Japan) equity markets are the best performing capital markets for the fiscal year to date. Fixed income is still slightly negative so far this fiscal year.

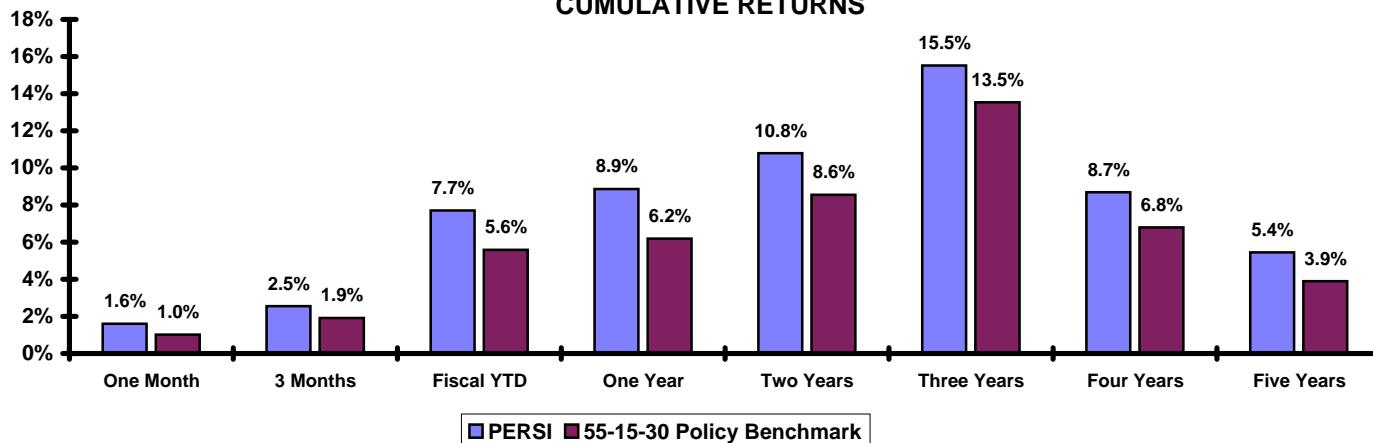
Bernstein Emerging and Genesis are the leading performers in absolute returns, followed by Zesiger and Rowe Price. Zesiger, Donald Smith, and Peregrine are the best performers against benchmark. The bond accounts are down for the fiscal year so far, with little to cheer about either absolutely or relatively. Mondrian, Tukman, Mountain Pacific, and Brandes are the worst performers against benchmark. Private equity continues to have good absolute and relative performance for the fiscal and calendar year.

Of PERSI's major strategic leanings, global equity managers, emerging markets, and private equity are helping the most relative to the fund's strategic benchmark, and few policies are hurting. Overall, the fund is ahead of the strategic benchmark for the fiscal year by 2.1%. All managers are either within their expected

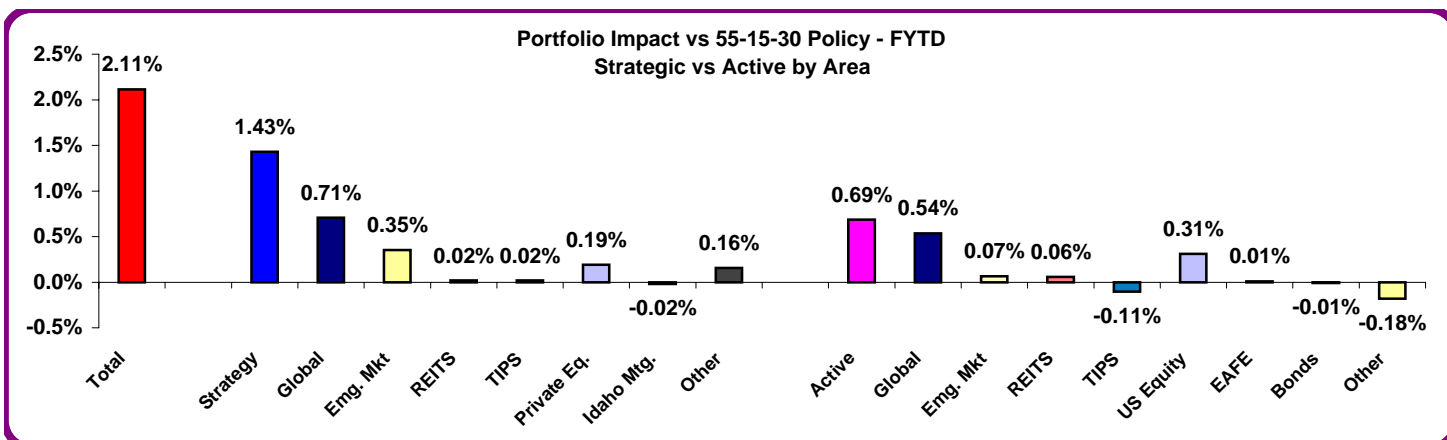
FYTD Benchmark Returns



CUMULATIVE RETURNS



| | Current Month | One Year | Three Years | | % |
|----------------------|---------------|--------------|--------------|------------------|--------------|
| TOTAL FUND | 1.6% | 8.9% | 15.5% | \$ 9,227,400,147 | |
| US EQUITY | 0.1% | 7.9% | 16.2% | \$ 3,523,186,945 | 38.2% |
| Mellon R3000 | 0.1% | 5.9% | 15.9% | \$ 1,738,518,467 | 18.8% |
| Peregrine | -1.9% | 7.1% | | \$ 174,438,811 | 1.9% |
| Tukman | -2.0% | -3.4% | 6.6% | \$ 249,379,340 | 2.7% |
| Mtn. Pac. | -1.2% | 4.0% | 15.4% | \$ 300,112,027 | 3.3% |
| TCW | 0.0% | 7.0% | | \$ 169,962,310 | 1.8% |
| D. Smith | 3.8% | 9.6% | | \$ 190,322,755 | 2.1% |
| Adelante REIT | 0.0% | 14.5% | 29.7% | \$ 332,200,847 | 3.6% |
| Real Estate Total | 0.0% | 13.6% | 26.4% | \$ 434,670,037 | 4.7% |
| Private Equity | 2.3% | 33.1% | 18.4% | \$ 276,176,199 | 3.0% |
| GLOBAL EQUITY | 2.9% | 12.2% | 22.7% | \$ 1,732,370,170 | 18.8% |
| Barings | 2.5% | 10.4% | 18.0% | \$ 275,940,221 | 3.0% |
| Bernstein | 2.7% | 15.2% | | \$ 258,422,511 | 2.8% |
| Brandes | 1.8% | 7.0% | 24.1% | \$ 479,466,682 | 5.2% |
| Cap Guardian | 3.7% | 11.8% | 20.4% | \$ 347,923,826 | 3.8% |
| Zesiger Public | 4.0% | 19.8% | 29.3% | \$ 362,658,624 | 3.9% |
| Zesiger Total | 4.4% | 20.0% | 26.4% | \$ 385,072,172 | 4.2% |
| INT. EQUITY | 4.8% | 19.9% | 26.6% | \$ 1,432,263,599 | 15.5% |
| Mellon EAFE | 4.5% | 13.3% | 23.5% | \$ 364,805,027 | 4.0% |
| Rowe Price | 4.8% | 17.0% | 21.2% | \$ 262,987,482 | 2.9% |
| Mondrian | 3.4% | 13.3% | | \$ 259,457,432 | 2.8% |
| Bernstein Emg | 5.6% | 28.9% | | \$ 265,838,909 | 2.9% |
| Genesis | 6.2% | 36.8% | 42.4% | \$ 275,478,131 | 3.0% |
| FIXED INCOME | 1.1% | 2.4% | 4.7% | \$ 2,512,880,491 | 27.2% |
| SSGA Gov/Credit | 0.9% | 2.3% | 3.8% | \$ 553,302,077 | 6.0% |
| Barings | 1.0% | 3.1% | 5.0% | \$ 215,961,317 | 2.3% |
| Fidelity | 0.9% | | | \$ 204,093,899 | 2.2% |
| Western | 1.2% | 2.6% | | \$ 204,402,042 | 2.2% |
| DBF MBS | 1.0% | 2.4% | 3.0% | \$ 159,573,433 | 1.7% |
| Clearwater | 0.9% | 2.6% | 3.6% | \$ 153,317,609 | 1.7% |
| Idaho Mort | 1.0% | 3.6% | 2.9% | \$ 269,944,332 | 2.9% |
| Bridgewater | 0.9% | 0.7% | | \$ 256,333,067 | 2.8% |
| SSGA TIPS | 1.8% | 2.3% | 7.1% | \$ 495,952,715 | 5.4% |
| Cash and Other | | | | \$ 26,698,942 | 0.3% |

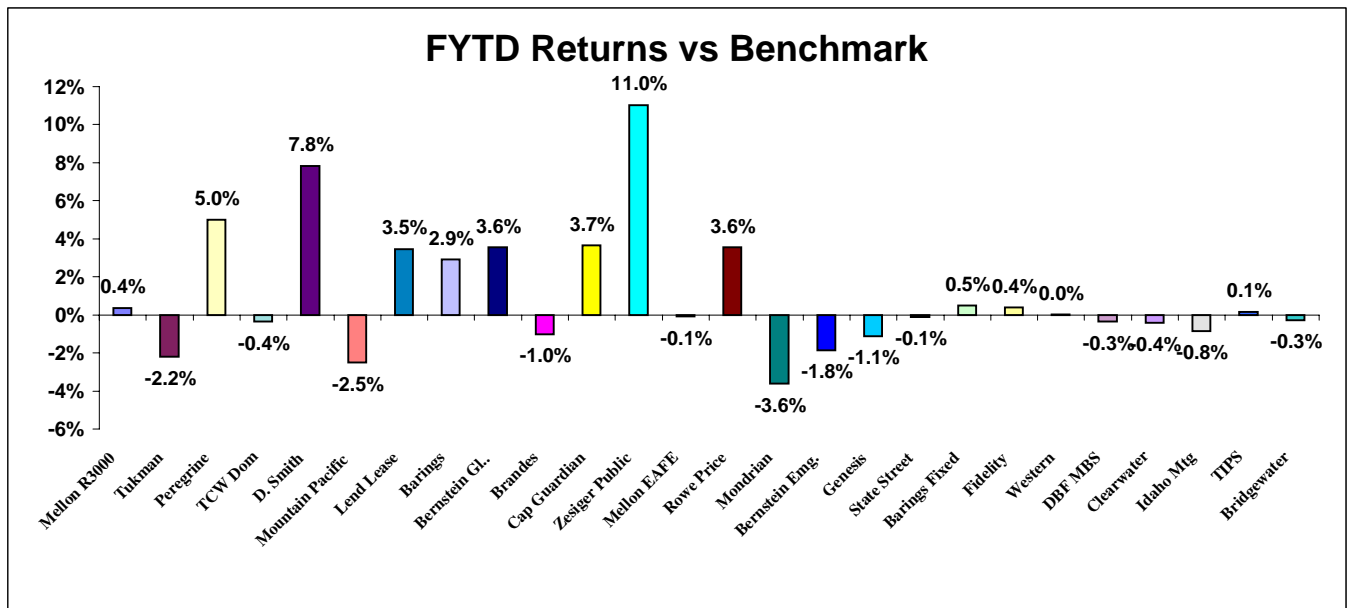


PERSI PORTFOLIO STATUS REPORT

December 31, 2005

| | Latest Month | Fiscal Year to Date |
|-------------------|-----------------|---------------------|
| Beginning Value | \$9,079,229,132 | \$8,561,926,307 |
| Net Contributions | \$2,528,455 | (\$644,593) |
| Investment Gain | \$145,642,559 | \$666,118,432 |
| Ending Value | \$9,227,400,147 | \$9,227,400,147 |

| | Month | 3 MO | FYTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr |
|-----------------------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------|
| Total Fund | 1.6% | 2.5% | 7.7% | 8.9% | 10.8% | 15.5% | 8.7% | 5.5% |
| <i>No rebalancing</i> | 1.0% | 1.9% | 5.6% | 6.2% | 8.5% | 13.4% | 6.6% | 3.7% |
| <i>Benchmark (55-15-30)</i> | 1.0% | 1.8% | 5.3% | 6.0% | 8.3% | 13.0% | 6.3% | 3.5% |
| <i>PERSI rebalancing</i> | 1.0% | 1.8% | 5.2% | 5.8% | 8.4% | 13.3% | 6.4% | 3.5% |
| <i>Strategic Policies</i> | 1.0% | 2.0% | 6.0% | 7.2% | 9.4% | 14.0% | 7.3% | 4.7% |
| U.S. Equity | 0.1% | 2.8% | 7.1% | 7.8% | 11.0% | 16.2% | 6.3% | 2.5% |
| <i>R3000 Index</i> | 0.0% | 1.9% | 6.0% | 6.0% | 8.9% | 15.9% | 5.7% | 2.1% |
| Global Equity | 2.9% | 3.4% | 13.3% | 11.6% | 12.7% | 22.7% | 10.7% | 6.0% |
| <i>World Index</i> | 2.1% | 2.8% | 9.9% | 9.5% | 12.2% | 19.0% | 7.9% | 2.5% |
| Int. Equity | 4.8% | 5.3% | 18.4% | 19.9% | 20.2% | 26.6% | 14.3% | 6.6% |
| <i>MSCI EAFE</i> | 4.6% | 4.1% | 14.9% | 14.0% | 17.3% | 24.2% | 12.7% | 4.9% |
| Fixed Income | 1.1% | 0.5% | 0.1% | 2.8% | 4.4% | 4.9% | 6.8% | 7.1% |
| <i>Lehman Agg</i> | 1.1% | 0.8% | 0.1% | 2.6% | 3.5% | 3.7% | 5.3% | 5.9% |



| | Month | 3 MO | FYTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr |
|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| U.S./Global Equity Managers | | | | | | | | |
| Mellon S&P 500 Fund | 0.2% | 2.3% | 6.1% | 5.2% | 8.1% | 14.5% | 4.0% | 0.6% |
| Mellon Mid and Small | 0.0% | 1.5% | 5.5% | 6.7% | 10.8% | 20.4% | 5.7% | 0.7% |
| Peregrine | -1.9% | 4.7% | 10.6% | 7.1% | | | | |
| S&P 500 Growth | -0.1% | 1.8% | 5.6% | 3.7% | 4.8% | 11.2% | 1.2% | -1.8% |
| Tukman | -2.0% | 2.1% | 3.1% | -3.4% | 0.6% | 6.6% | 0.7% | 0.0% |
| S&P 500 | -0.1% | 1.7% | 5.3% | 4.4% | 7.5% | 14.2% | 3.8% | 0.4% |
| Mtn. Pacific | -1.2% | 2.9% | 4.7% | 4.0% | 10.3% | 15.4% | 7.0% | 8.0% |
| TCW Dom | 0.0% | 3.0% | 6.8% | 7.0% | | | | |
| D. Smith | 3.8% | 3.5% | 13.2% | 9.6% | | | | |
| Russell 2500 | 0.5% | 2.0% | 7.2% | 8.5% | 13.2% | 23.1% | 11.3% | 9.2% |
| Barings | 2.5% | 4.2% | 12.9% | 10.4% | 11.7% | 18.0% | 7.5% | 0.0% |
| Bernstein Global | 2.7% | 3.4% | 13.5% | 15.2% | | | | |
| Brandes | 1.8% | -0.6% | 8.9% | 7.0% | 13.2% | 24.1% | 11.1% | 9.1% |
| Cap Guardian | 3.7% | 5.5% | 13.6% | 11.8% | 11.7% | 20.4% | | |
| Zesiger (Public) | 4.0% | 6.7% | 20.9% | 19.8% | 12.2% | 29.4% | 16.1% | 10.6% |
| Zesiger (Total) | 4.4% | 6.8% | 20.7% | 20.0% | 11.8% | 26.4% | 13.2% | 7.2% |
| R3000 | 0.0% | 1.9% | 6.0% | 6.0% | 8.9% | 15.9% | 5.7% | 2.1% |
| World Index | 2.1% | 2.8% | 9.9% | 9.5% | 12.2% | 19.0% | 7.9% | 2.5% |
| Private Equity | 2.2% | 5.2% | 13.6% | 33.2% | 26.1% | 18.4% | 8.9% | 1.7% |
| Adelante | 0.0% | 3.4% | 8.2% | 14.5% | 26.0% | 29.7% | 21.2% | 19.5% |
| Real Estate | 0.0% | 3.2% | 7.7% | 13.6% | 23.1% | 26.4% | 21.4% | 19.3% |
| NCREIF | 0.0% | 1.5% | 5.0% | 12.5% | 12.1% | 10.2% | 8.6% | 8.9% |
| WREIT | -0.5% | 1.6% | 4.7% | 11.4% | 16.2% | 18.8% | 14.8% | 16.9% |
| International Equity Managers | | | | | | | | |
| Index Fund | 4.5% | 4.0% | 14.8% | 13.5% | 16.5% | 23.5% | 12.4% | 4.7% |
| Rowe Price-Fleming | 4.8% | 5.9% | 18.5% | 17.0% | 15.6% | 21.2% | 10.6% | 3.7% |
| Mondrian | 3.4% | 2.3% | 11.3% | 13.3% | | | | |
| International Index | 4.6% | 4.1% | 14.9% | 14.0% | 17.3% | 24.2% | 12.7% | 4.9% |
| Bernstein Em. Mkt | 5.6% | 5.3% | 24.4% | 28.9% | | | | |
| Genesis Em. Mkts | 6.2% | 7.0% | 25.1% | 36.8% | 34.0% | 42.4% | 30.3% | 25.6% |
| Emerging Mkts | 5.9% | 7.1% | 26.3% | 34.2% | 29.8% | 38.1% | 25.4% | 19.3% |

| | Month | 3 MO | FYTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr |
|------------------------------|-------|------|-------|------|------|------|-------|------|
| Fixed Income Managers | | | | | | | | |
| Barings Fixed | 1.0% | 0.5% | 0.6% | 3.1% | 4.2% | 5.0% | 6.1% | 6.7% |
| Western | 1.2% | 0.0% | 0.1% | 2.7% | | | | |
| Fidelity | 0.9% | 0.8% | 0.5% | | | | | |
| Lehman Agg. | 1.1% | 0.8% | 0.1% | 2.6% | 3.5% | 3.7% | 5.3% | 5.9% |
| DBF MBS | 1.0% | 0.6% | 0.6% | 2.4% | 3.3% | 3.0% | 4.7% | 5.2% |
| Clearwater | 0.9% | 0.5% | 0.5% | 2.6% | 3.8% | 3.6% | | |
| Lehman Mort. | 1.4% | 1.0% | 0.9% | 3.1% | 3.9% | 3.6% | 4.9% | 5.5% |
| Idaho Mort. | 1.0% | 1.0% | 0.1% | 3.6% | 3.7% | 2.9% | 5.7% | 6.3% |
| Gov/Corp Fund | 0.9% | 0.6% | -0.4% | 2.3% | 3.3% | 3.8% | 5.4% | 6.0% |
| Gov/Corp Index | 1.1% | 0.8% | -0.3% | 2.5% | 3.4% | 3.8% | 5.6% | 6.2% |
| Bridgewater | 0.9% | 0.0% | -0.3% | 2.1% | | | | |
| TIPS | 1.8% | 0.5% | 0.2% | 3.5% | 6.6% | 7.6% | 10.0% | 9.7% |
| Lehman TIPS | 1.1% | 0.0% | 0.0% | 2.7% | 6.1% | 6.8% | 9.2% | 8.9% |

PRIVATE EQUITY

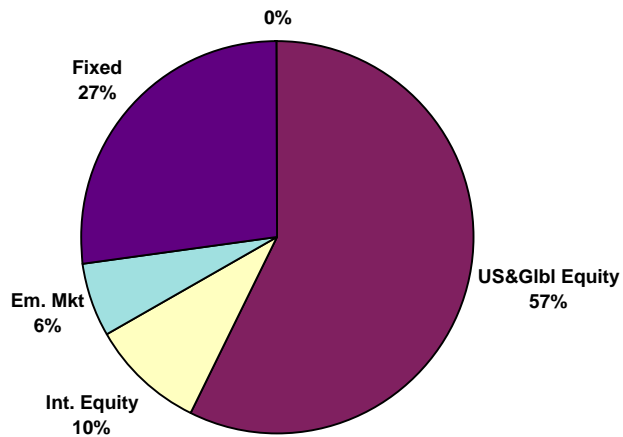
| | Month | 3 MO | FYTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr |
|---------------------|-------|------|-------|-------|-------|-------|-------|-------|
| Private Real Estate | 0.2% | 2.7% | 6.2% | 11.6% | 12.0% | 10.4% | 11.8% | 10.1% |
| NCREIF | 0.0% | 1.5% | 5.0% | 12.5% | 12.1% | 10.2% | 8.6% | 8.9% |
| Private Equity | 2.2% | 5.2% | 13.6% | 33.2% | 26.1% | 18.4% | 8.9% | 1.7% |
| Russell 2500 | 0.5% | 2.0% | 7.2% | 8.5% | 13.2% | 23.1% | 11.3% | 9.2% |

IMPACT OF POLICIES AND ACTIVE MANAGEMENT ON TOTAL FUND RETURN:

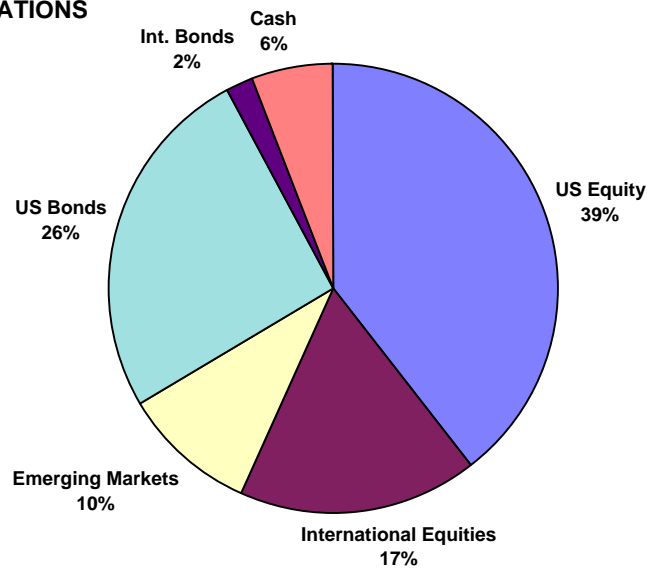
| | Month | 3 MO | FYTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr |
|--------------------------|--------|--------|--------|-------|-------|-------|-------|-------|
| Base 55-15-30 Return | 1.01% | 1.91% | 5.54% | 6.2% | 8.6% | 13.4% | 6.6% | 3.7% |
| PERSI vs 55-15-30 (+/-) | 0.59% | 0.63% | 2.16% | 2.6% | 2.2% | 2.1% | 2.2% | 1.8% |
| Actual Rebalance | -0.03% | 0.01% | -0.02% | -0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| Global vs R3000 | 0.54% | 0.33% | 1.31% | 1.1% | 0.7% | 1.1% | 1.0% | 0.8% |
| REITS vs R3000 | 0.00% | 0.06% | 0.09% | 0.3% | 0.5% | 0.4% | 0.5% | 0.5% |
| Emerging Mkts vs EAFE | 0.07% | 0.13% | 0.40% | 0.7% | 0.5% | 0.5% | 0.5% | 0.5% |
| TIPS vs Leh Agg | 0.03% | -0.04% | -0.01% | 0.0% | 0.2% | 0.3% | 0.4% | 0.3% |
| Idaho Mortgages vs Agg | 0.00% | 0.01% | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Private Equity vs. R3000 | 0.06% | 0.10% | 0.20% | 0.6% | 0.4% | 0.0% | 0.0% | -0.1% |
| Private Realty vs R3000 | 0.00% | 0.01% | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% |
| Currency Overlay | -0.01% | 0.06% | 0.04% | 0.1% | 0.0% | 0.0% | -0.1% | 0.0% |
| Active US Only | 0.02% | 0.13% | 0.17% | 0.3% | 0.3% | 0.0% | 0.1% | 0.0% |
| Active EAFE | -0.03% | 0.02% | 0.03% | 0.0% | -0.2% | -0.1% | -0.1% | -0.1% |
| Other Bond | -0.03% | -0.05% | 0.02% | 0.0% | 0.0% | 0.0% | -0.1% | -0.1% |
| Interactive and Other | -0.04% | -0.15% | -0.06% | -0.4% | -0.3% | -0.2% | -0.3% | -0.2% |
| MJ Managers | 0.01% | 0.06% | 0.25% | 0.18% | 0.00% | | | |

| ACCOUNT | AMOUNT | ALLOCATION |
|-----------------------------|-------------------------|-------------------|
| U.S.EQUITY | \$ 5,266,935,687 | 57.1% |
| LARGE CAP | \$1,795,195,695 | 19.5% |
| Mellon S&P 500 | \$1,371,377,544 | 14.9% |
| Tukman | \$249,379,340 | 2.7% |
| Peregrine | \$174,438,811 | 1.9% |
| SMALL CAP | \$1,027,538,014 | 11.1% |
| Mellon Midcap | \$215,345,229 | 2.3% |
| Mellon R2000 | \$151,795,695 | 1.6% |
| Mountain Pacific | \$300,112,027 | 3.3% |
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| PRIVATE EQUITY | \$ 277,161,772 | 3.0% |
| REAL ESTATE | \$434,670,037 | 4.7% |
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| Adelante | \$332,200,847 | 3.6% |
| INTERNATIONAL EQUITY | \$ 1,432,263,599 | 15.5% |
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| Bridgewater | \$256,333,067 | 2.8% |
| TIPS | \$495,952,715 | 5.4% |
| CASH AND OTHER | \$ 15,320,370 | 0.2% |
| TOTAL | \$ 9,227,400,147 | |

TOTAL FUND ALLOCATIONS
By Manager Benchmark



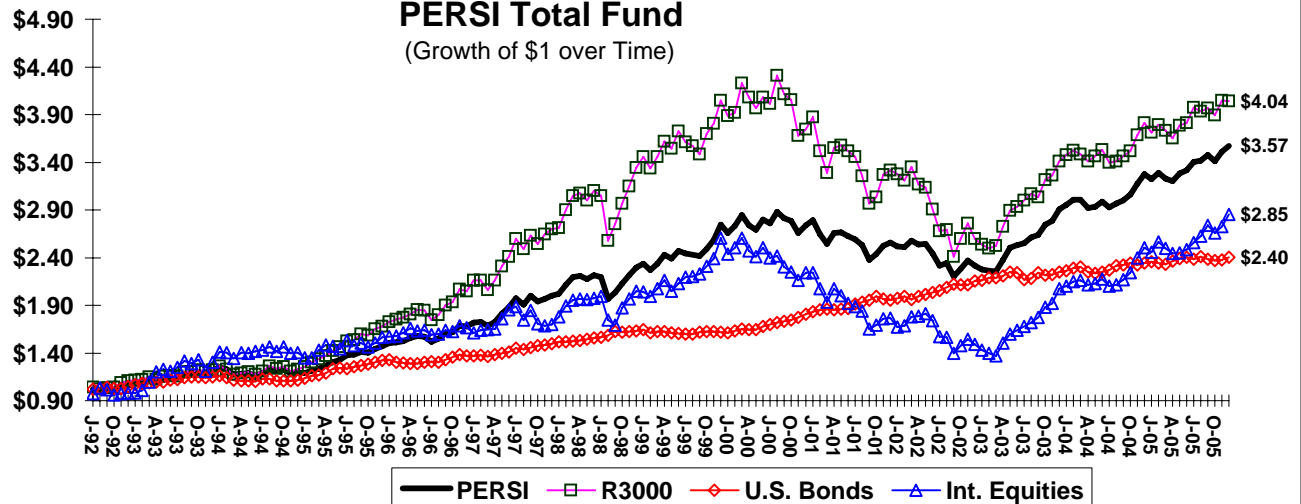
TOTAL FUND ALLOCATIONS
As Invested

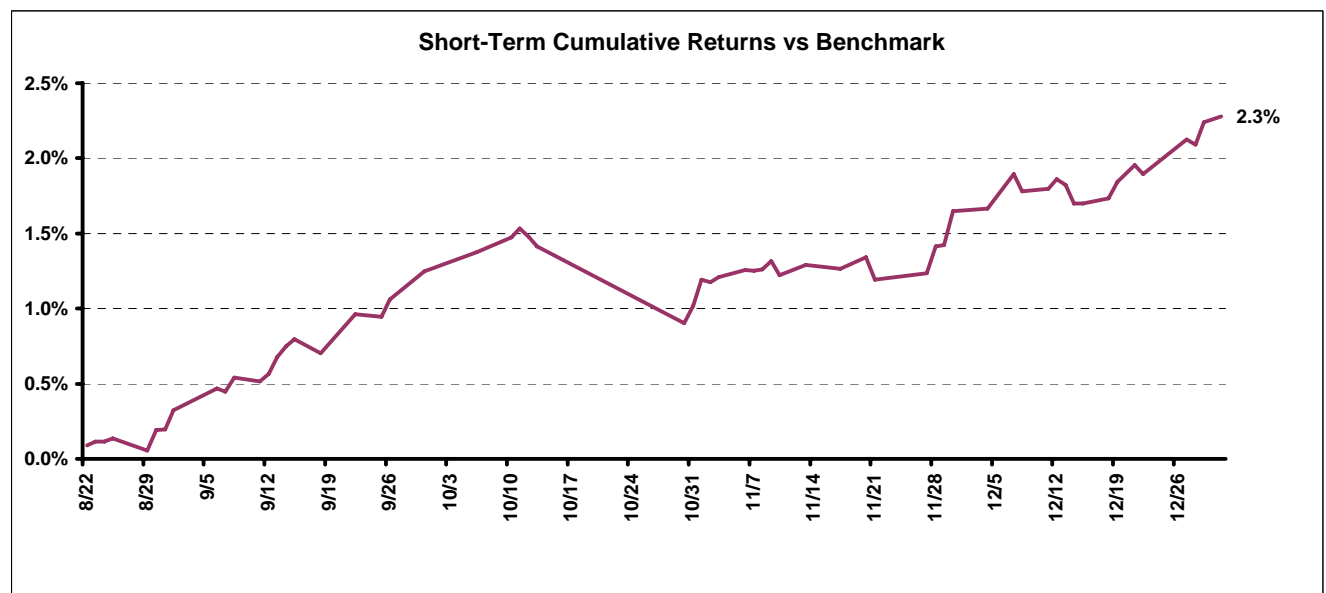
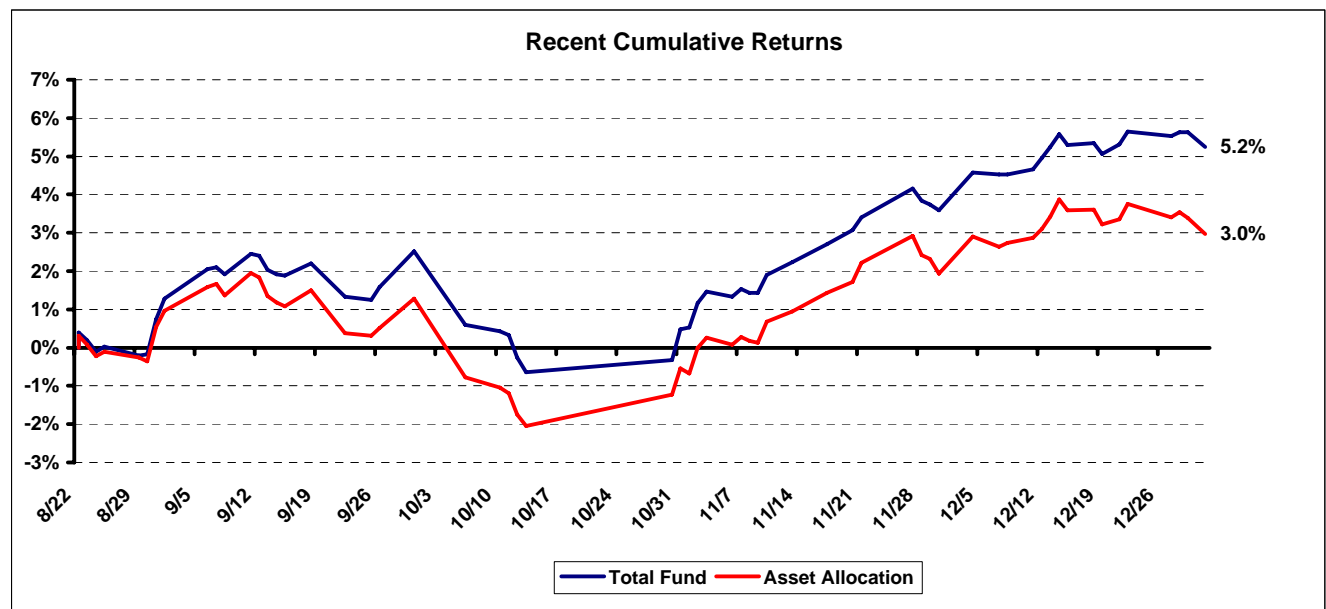
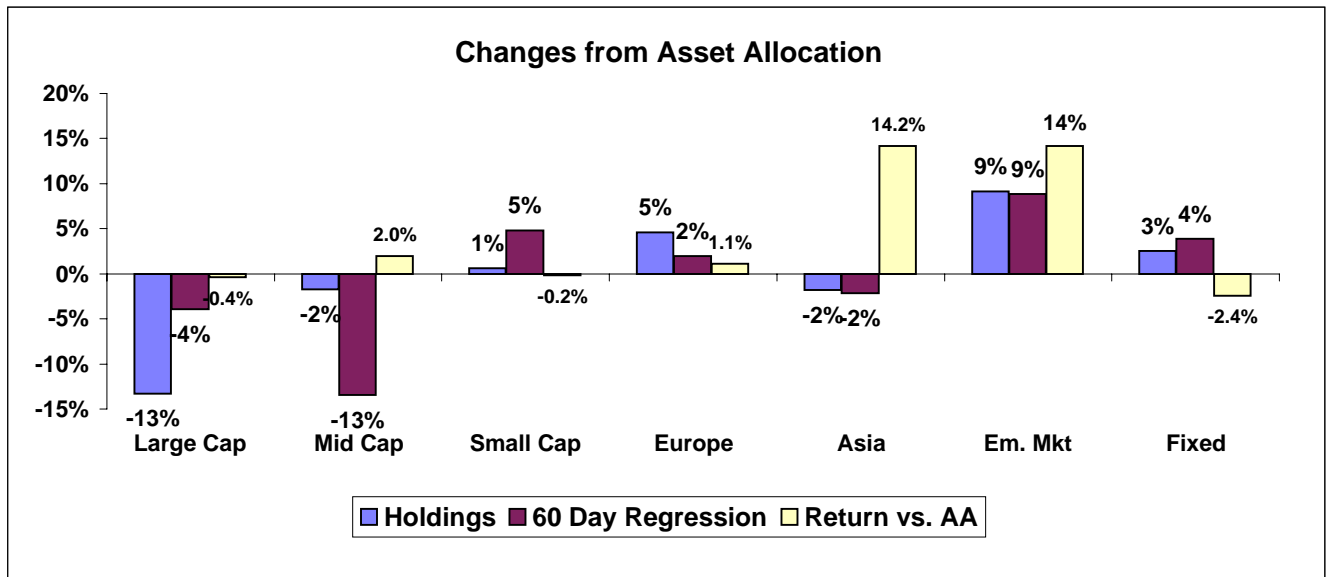


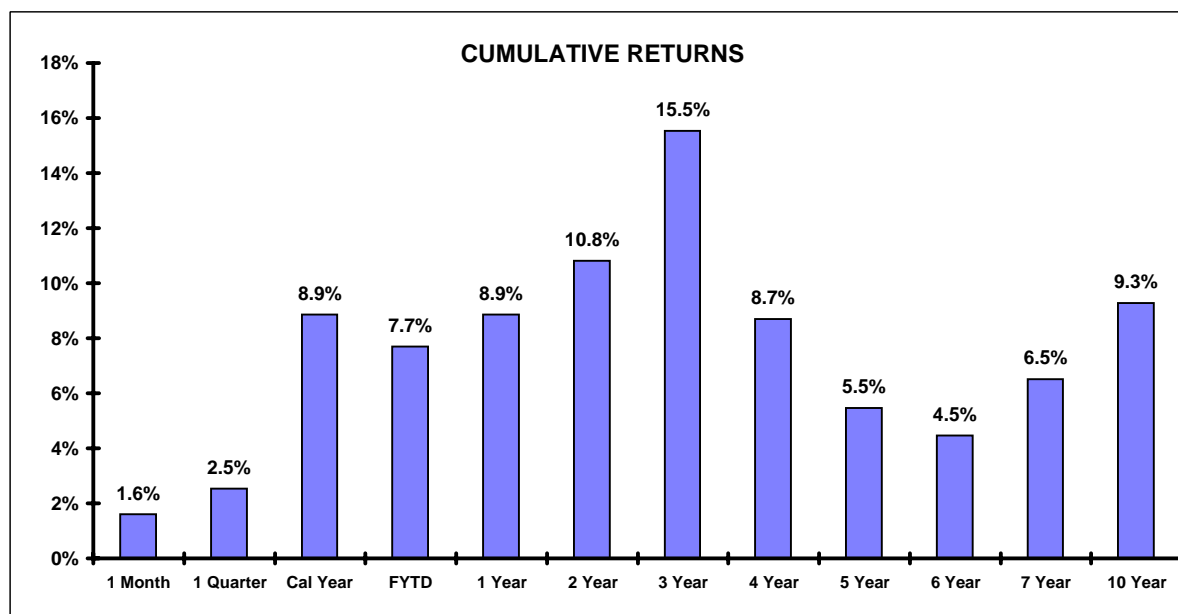
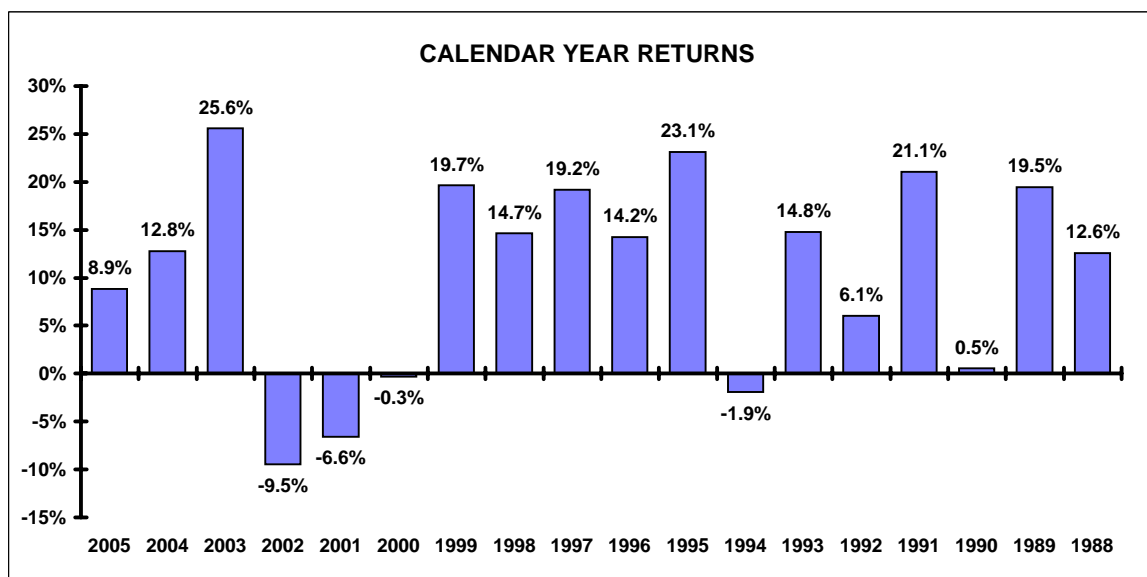
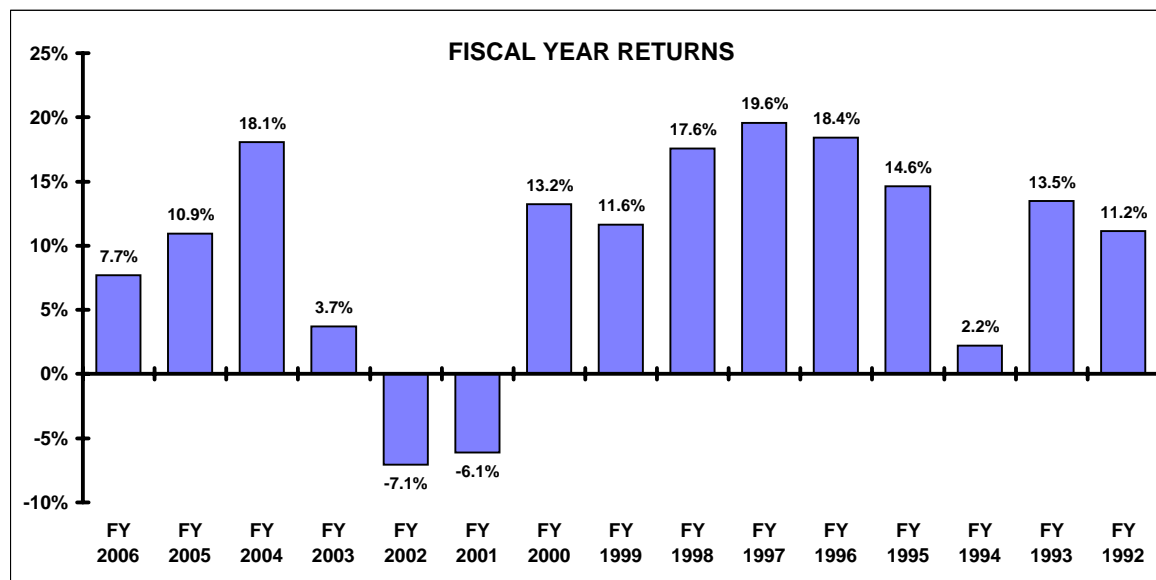
CUMULATIVE RETURN VS. BENCHMARKS

PERSI Total Fund

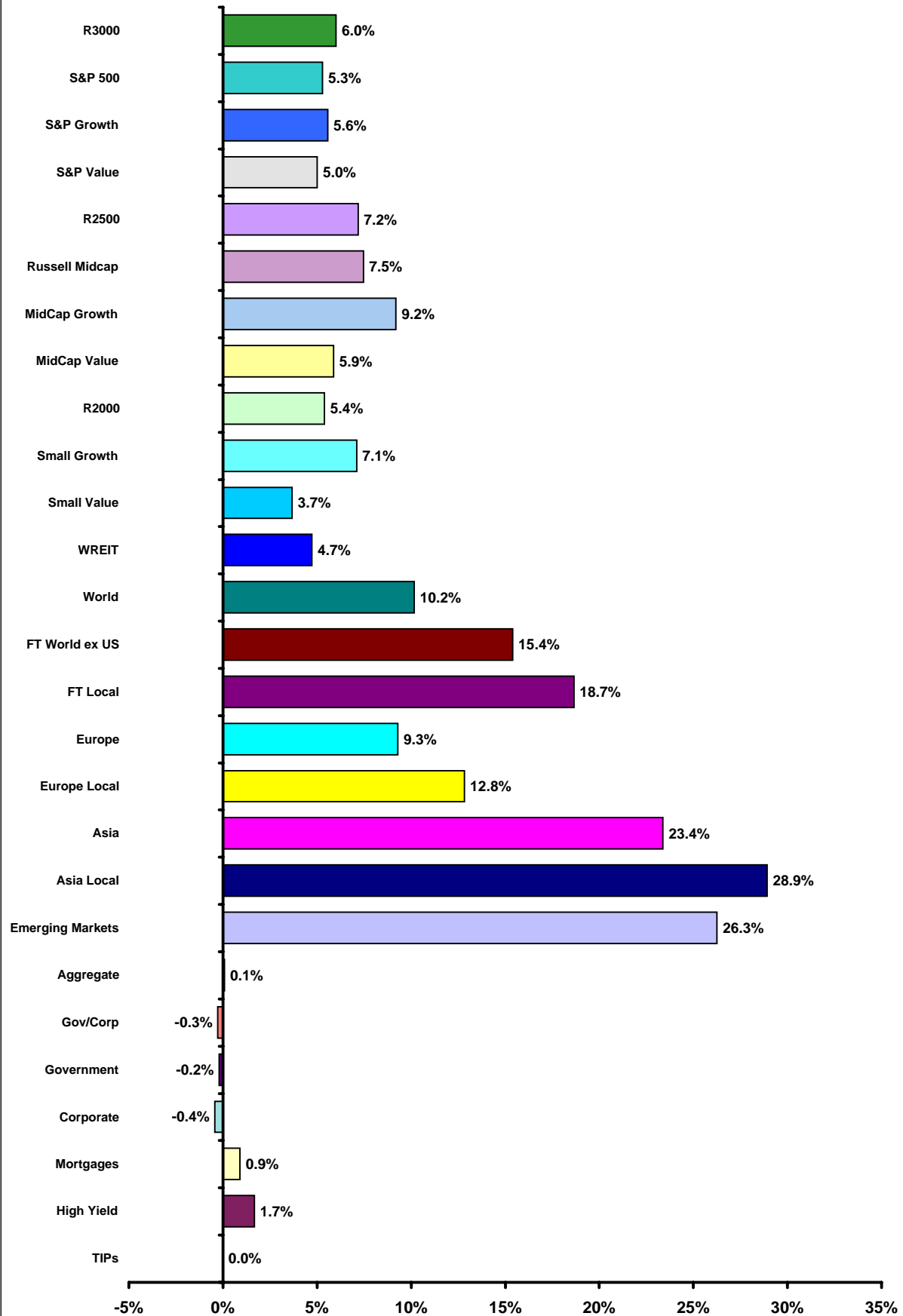
(Growth of \$1 over Time)



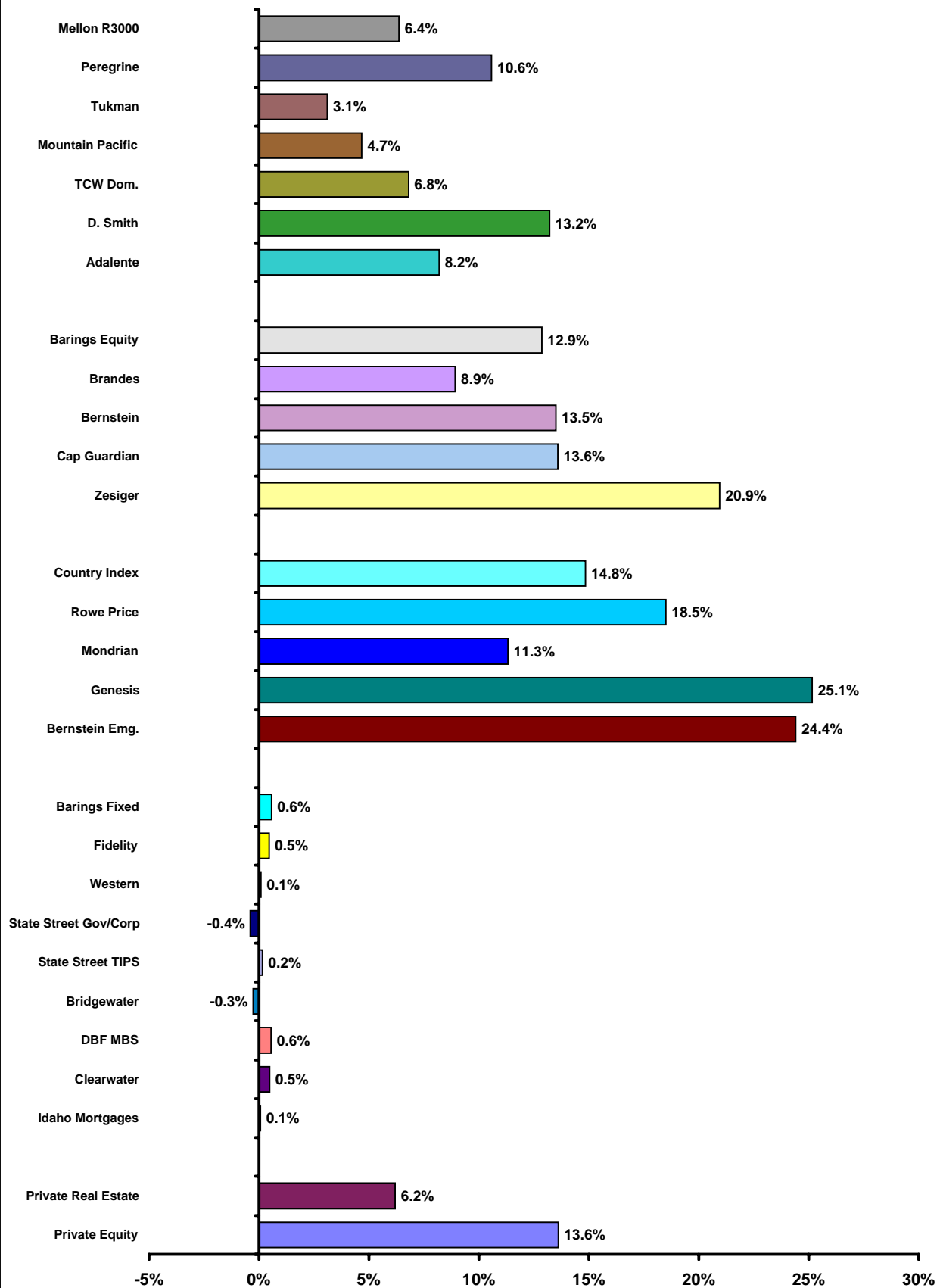




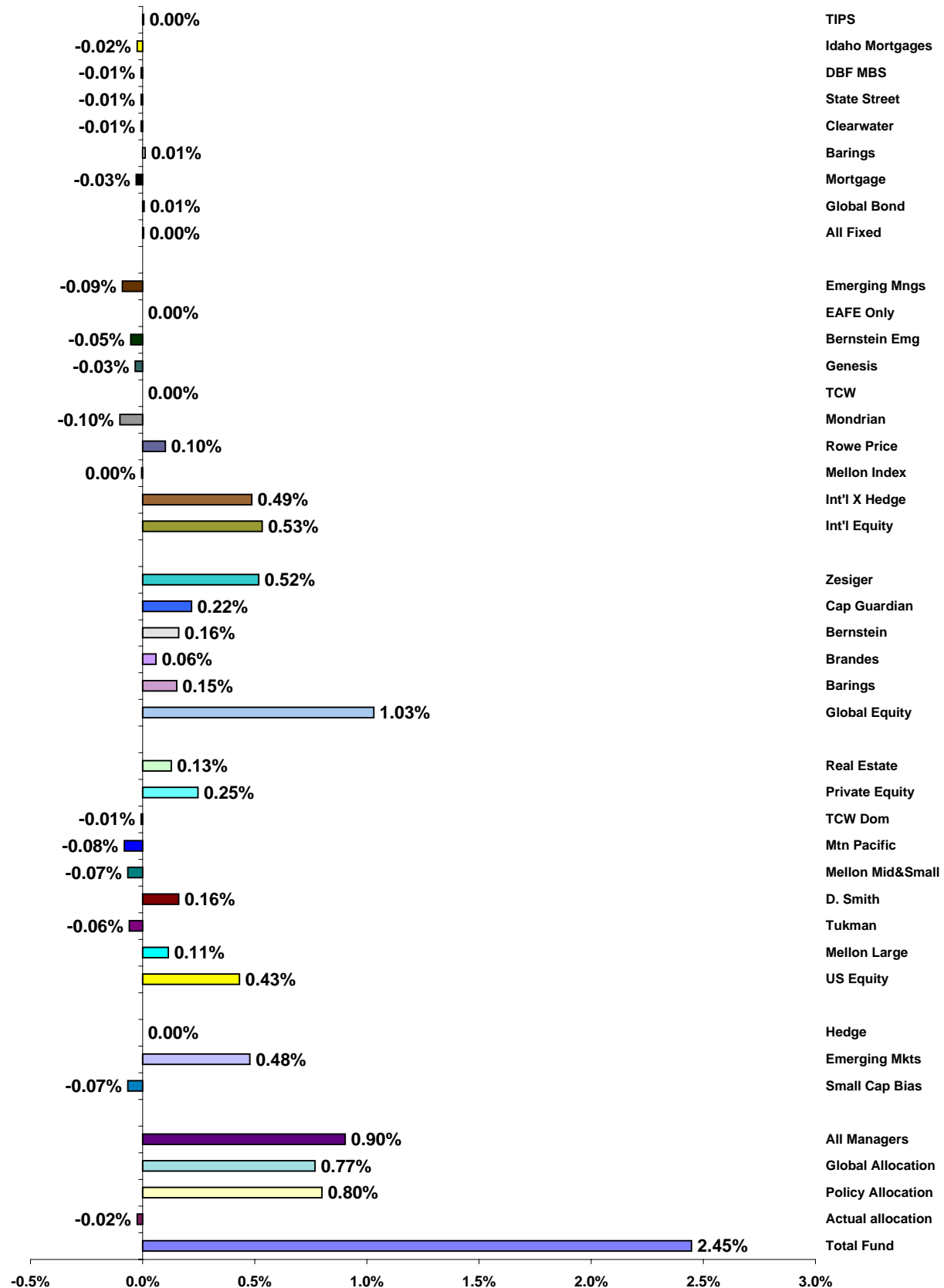
FYTD Benchmark Returns

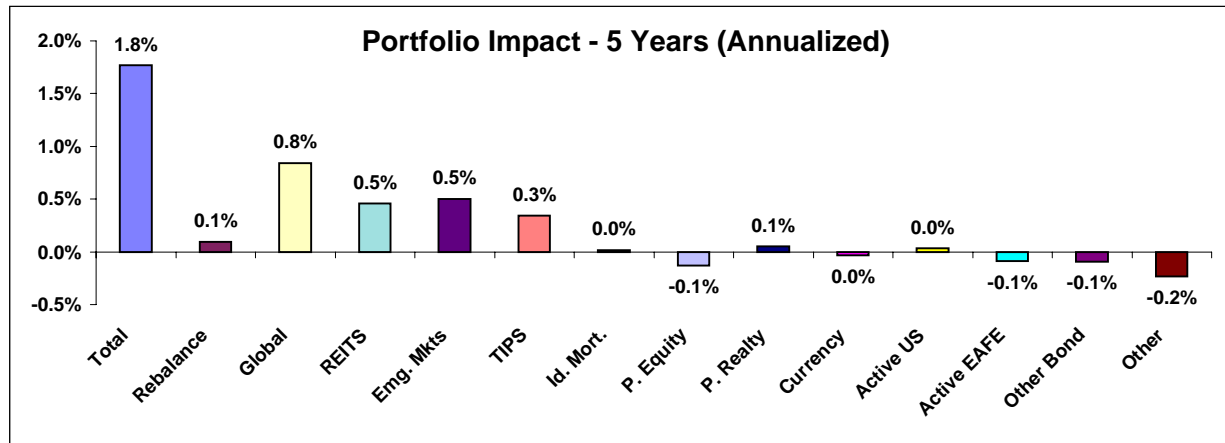
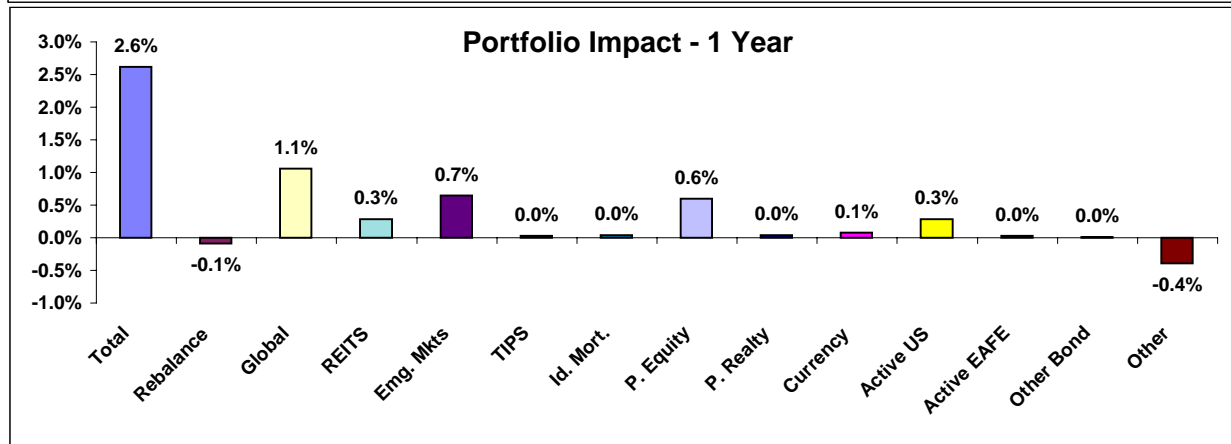
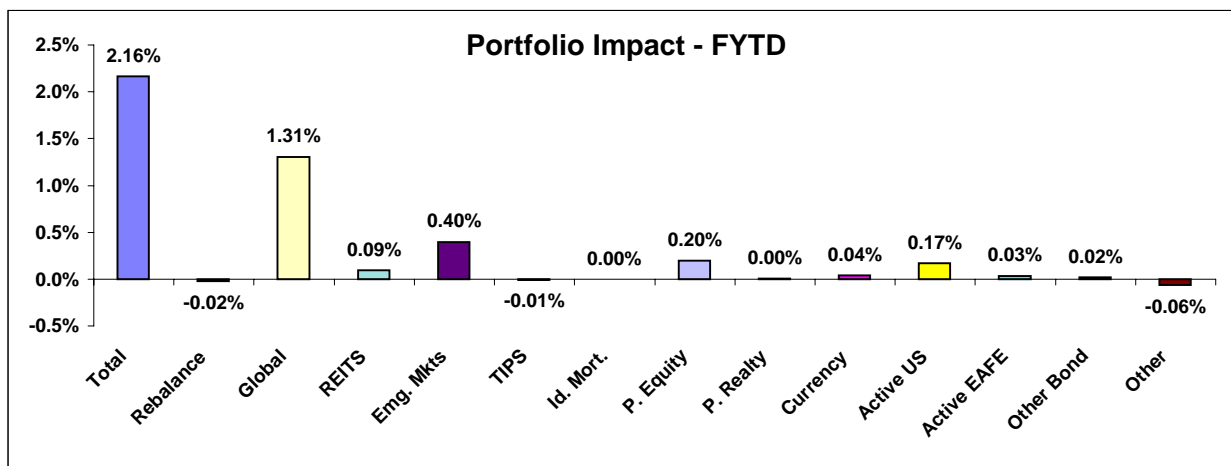
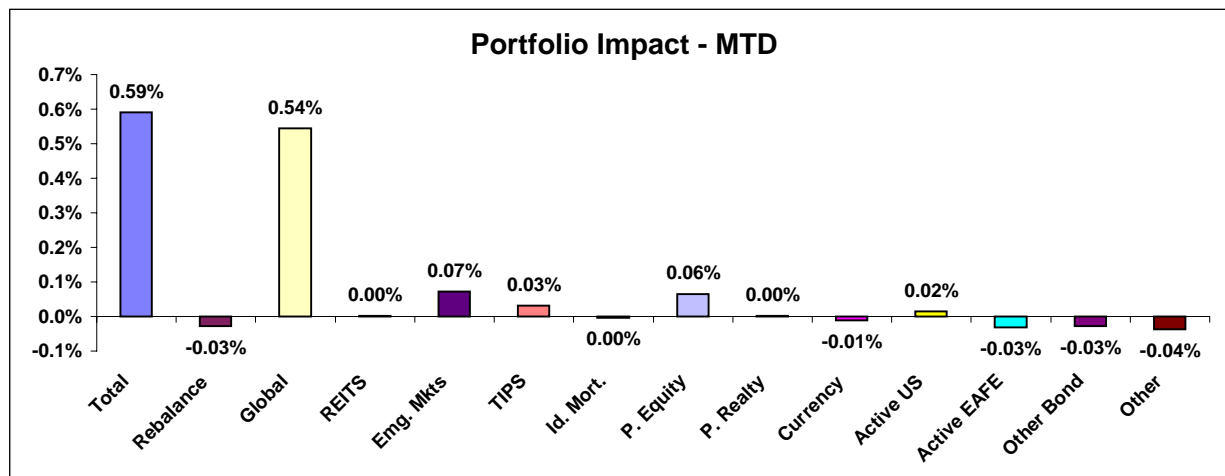


Fiscal Year to Date Returns



Weighted Excess Return - FYTD





LARGEST PUBLIC HOLDINGS

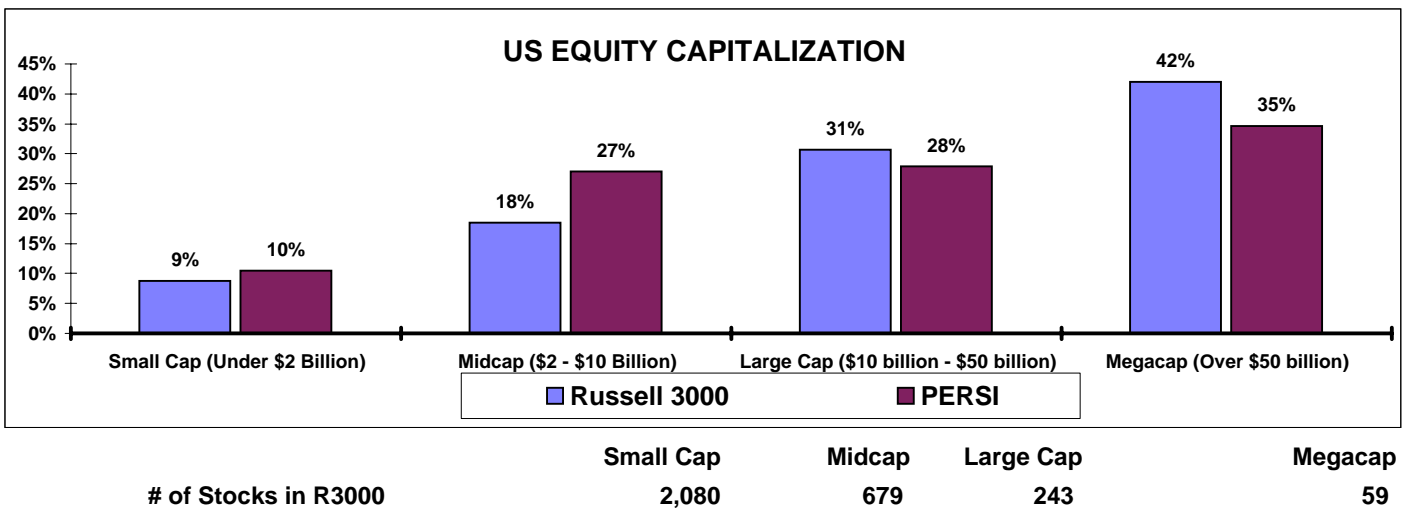
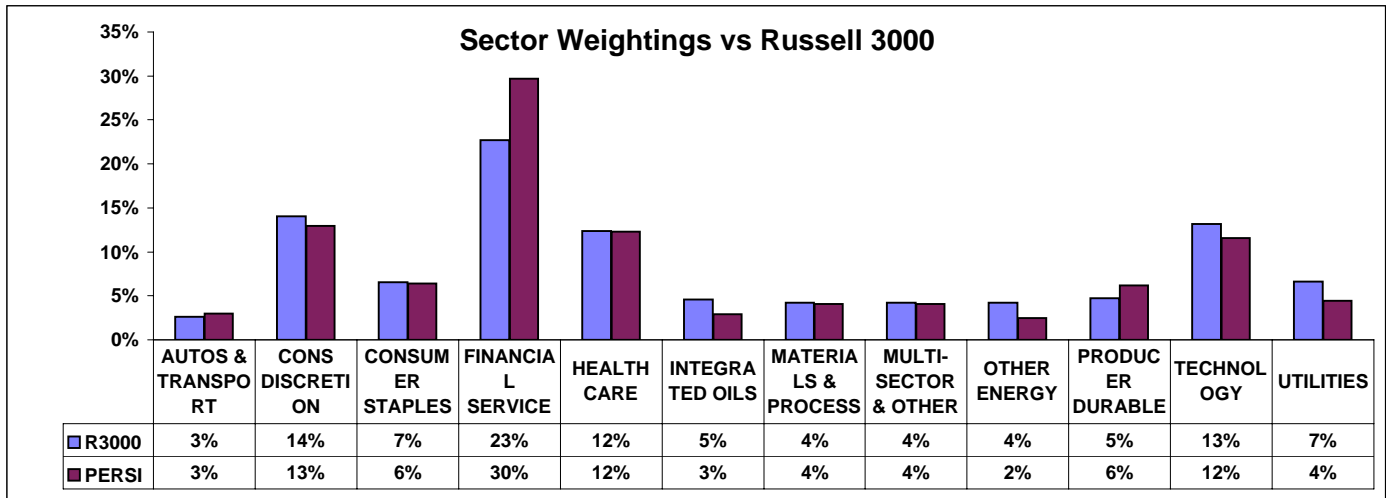
| TOTAL FUND | | ACTIVE MANAGERS | | | |
|--------------------------------|------|-----------------|---------------|------------------------------|-------|
| ISSUE NAME | % | Manager | Amount | Holding | % |
| PERSI STIF | 4.1% | Tukman | \$ 22,025,972 | WAL MART STORES INC COM | 8.8% |
| US TREASURY INFLATION INDEX NT | 4.0% | D. Smith | \$ 18,428,000 | AIR FRANCE-KLM ADR | 9.7% |
| US TREASURY INFLATI | 3.2% | Mtn. Pacific | \$ 12,397,000 | DONALDSON INC | 4.1% |
| IDAHO MORTGAGES-FSB | 2.9% | Lend Lease | \$ 39,309,228 | VORNADO RLTY TR COM | 11.9% |
| U S TREASURY NOTES | 2.5% | TCW Domestic | \$ 4,813,995 | TERADYNE INC COM | 2.8% |
| COMMIT TO PUR FNMA SF MTG | 2.4% | Barings Equity | \$ 6,184,483 | MICROSOFT CORP COM | 2.2% |
| U S TREASURY BONDS | 1.3% | Brandes | \$ 15,110,685 | MERCK & CO INC COM | 3.1% |
| GENERAL ELEC CO COM | 0.9% | Cap Guardian | \$ 6,444,561 | ROYAL DUTCH SHELL A SHS | 1.8% |
| COMMIT TO PUR FHLMC GOLD SFM | 0.7% | Bernstein Glbl | \$ 7,561,330 | ORIX CORP Y50 | 2.9% |
| MICROSOFT CORP COM | 0.7% | Zesiger | \$ 11,522,512 | KOREAN AIR LINES CO KSWN5000 | 3.2% |
| M L GOVT CAT 1 | 0.7% | | | | |
| BWATER SHORT TERM LLC | 0.6% | Rowe Price | \$ 5,689,876 | GLAXOSMITHKLINE ORD GBP0.25 | 2.1% |
| US TREASURY INFLATION INDEX BD | 0.6% | Mondrian | \$ 9,146,970 | TOYOTA MOTOR CORP NPV | 3.5% |
| KOLL-PERS LLC | 0.6% | Genesis | \$ 11,676,611 | TAIWAN SEMICONDUCTOR MFG | 4.2% |
| EXXON MOBIL CORP | 0.5% | Bernstein Emg. | \$ 8,964,131 | PETROCHINA CO 'H' CNY1 | 3.4% |
| PFIZER INC COM STK USD0.05 | 0.5% | | | | |
| AMERICAN INTL GROUP INC COM | 0.5% | Barings Fixed | \$ 34,124,919 | U S TREASURY NOTES | 13.0% |
| CITIGROUP INC COM | 0.5% | X Governments | \$ 34,124,919 | U S TREASURY NOTES | 13.0% |
| VORNADO RLTY TR COM | 0.4% | State Street | \$ 9,501,391 | U S TREASURY NOTES | 1.7% |
| SIMON PPTY GROUP INC NEW COM | 0.4% | X Governments | \$ 9,501,391 | U S TREASURY NOTES | 1.7% |
| WAL MART STORES INC COM | 0.4% | DBF MBS | \$ 7,149,790 | FHLMC POOL #A3-8882 | 4.5% |
| FEDERAL NATL MTG ASSN DEBS | 0.4% | | | | |
| IBM CORP COM | 0.4% | | | | |
| WELLS FARGO & CO NEW COM | 0.4% | | | | |
| GOLDMAN SACHS GROUP INC COM | 0.4% | | | | |
| JOHNSON & JOHNSON COM | 0.4% | | | | |
| PROCTER & GAMBLE CO COM | 0.4% | | | | |
| GLAXOSMITHKLINE ORD GBP0.25 | 0.4% | | | | |
| PEPSICO INC COM | 0.4% | | | | |
| JPMORGAN CHASE & CO COM | 0.3% | | | | |
| ALTRIA GROUP INC | 0.3% | | | | |
| PAN PAC RETAIL PPTYS INC COM | 0.3% | | | | |
| BANK OF AMERICA CORP | 0.3% | Total Top 36 | 33.9% | | |
| MACERICH CO COM | 0.3% | | | | |
| GALEN III L P | 0.3% | | | | |
| UNITED DOMINION RLTY TR INC | 0.3% | | | | |

Domestic Equity Characteristics

(Red Growth, Blue Value)

PERSI Russell 3000 Tukman D. Smith Mt. Pac. TCW Dom

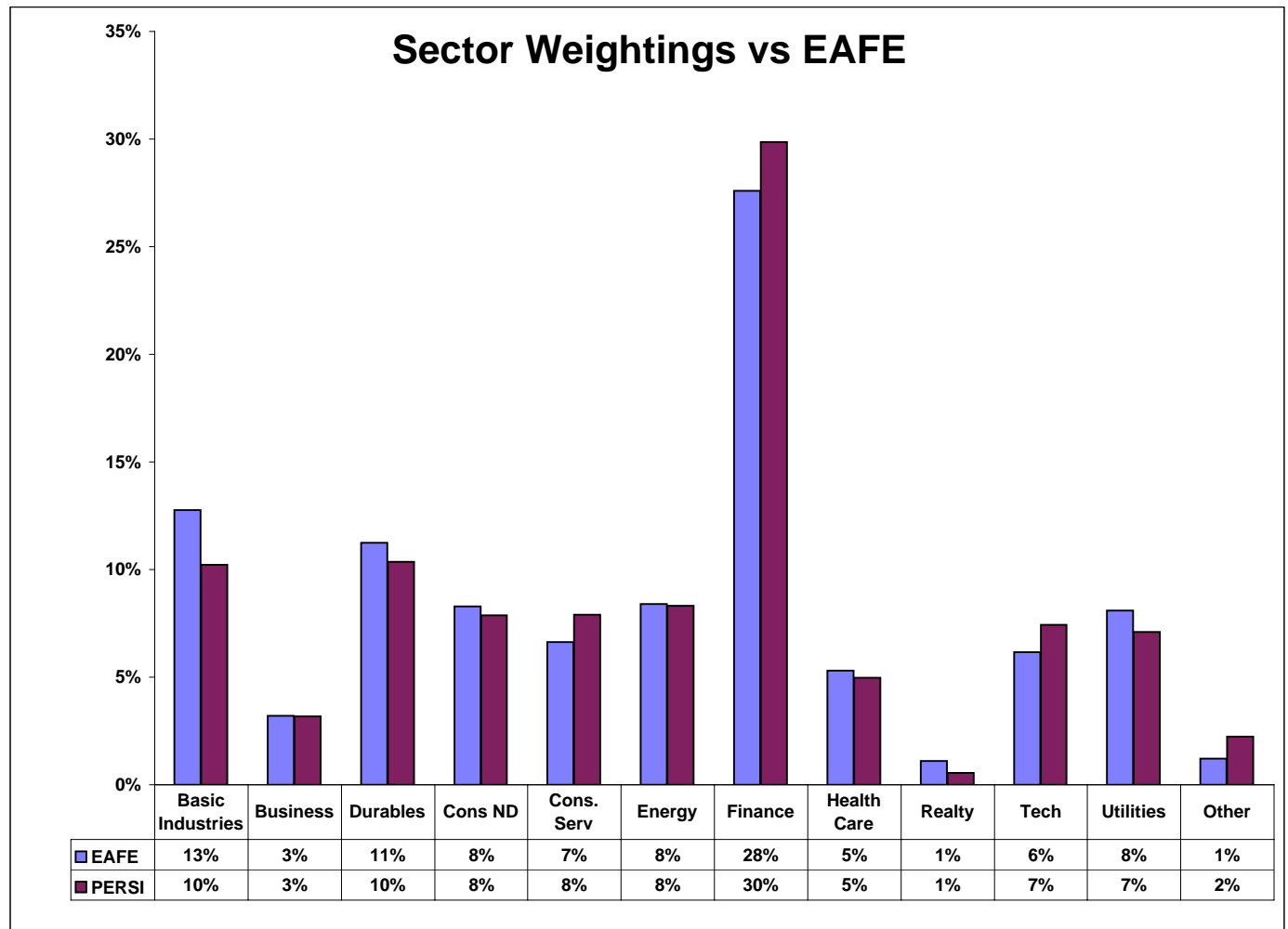
| | | | | | | |
|----------------------------------|---------------|---------------|----------------|--------------|--------------|--------------|
| U.S. Av. Market Cap | \$ 62,185,395 | \$ 74,072,711 | \$ 145,340,858 | \$ 3,719,957 | \$ 7,351,893 | \$ 4,772,530 |
| U.S. Dividend Yield | 1.8% | 1.7% | 1.8% | 1.0% | 1.0% | 1.0% |
| U.S. P/E (trailing) | 20.2 | 18.4 | 17.8 | 15.1 | 21.9 | 26.3 |
| U.S. P/E ex Neg | 18.9 | 17.6 | 17.8 | 10.7 | 20.5 | 20.6 |
| US P/E 5 year Average | 24.5 | 22.3 | 20.9 | 51.3 | 19.7 | 37.5 |
| Forecast 1 YR PE | 16.6 | 16.0 | 16.6 | 12.2 | 18.6 | 18.1 |
| U.S. Price/Book Value | 2.7 | 2.8 | 3.6 | 0.9 | 3.3 | 2.1 |
| Price/Cash | 13.6 | 12.5 | 13.5 | 6.4 | 15.7 | 15.4 |
| Return on Assets | 6.3% | 7.1% | 8.3% | -0.5% | 8.4% | 3.9% |
| Return on Equity | 17.8% | 19.7% | 22.9% | 8.0% | 22.3% | 11.5% |
| Return on Equity (5 YR) | 16.1% | 17.3% | 23.5% | 2.5% | 20.4% | 10.9% |
| Earning Growth 5 Yr | 10.2% | 13.0% | 11.9% | 6.3% | 15.2% | 6.1% |
| Earnings Growth 10 Yr | 9.5% | 10.5% | 11.3% | 1.9% | 14.3% | 6.5% |
| Forecast Earn Growth 1 Yr | 13.7% | 10.1% | 7.2% | -11.7% | 10.3% | 13.8% |
| Forecast LT Growth (med) | 11.9% | 12.4% | 10.9% | 10.2% | 13.5% | 13.7% |
| # Holdings | 3061 | 3044 | 16 | 17 | 52 | 58 |



International Equity Characteristics

(Red Growth, Blue Value)

| | PERSI | EAFE | Rowe | Mondrian | Genesis | Bern. Emg | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|-----|
| Price/Book | | | 2.4 | 2.9 | 2.4 | 2.3 | 1.7 |
| Price Earnings | 13 | 15 | 19 | 13 | 16 | 8 | |
| P/E 5 Yr Average | 21 | 26 | 23 | 17 | 12 | 10 | |
| P/E X Neg | 12 | 15 | 17 | 13 | 14 | 8 | |
| Next Year P/E | 12 | 14.3 | 15 | 13 | 12 | 7 | |
| Dividend Yield | 2.2% | 2.4% | 1.7% | 3.0% | 2.1% | 2.8% | |
| ROA | 7.3% | 6.1% | 6.7% | 7.6% | 11.6% | 10.8% | |
| ROE | 19.5% | 17.3% | 18.7% | 22.3% | 25.7% | 27.9% | |
| ROE 5 Year Average | 14.4% | 13.0% | 13.4% | 16.2% | 21.3% | 20.8% | |
| Debt/Capital | 0% | 0% | 0% | 0% | 0% | 0% | |
| Forecast Ern. Grwth 1 Yr | | 4.2% | 13.4% | 4.0% | 14.5% | 9.1% | |
| Median LT Growth | 11.7% | 9.4% | 11.4% | 8.1% | 15.7% | 11.6% | |
| Av LT Growth | 12.7% | 11.3% | 14.6% | 11.1% | 21.2% | 14.5% | |
| St Dev LT Growth | 20.2% | 16.4% | 20.4% | 18.1% | 44.8% | 22.4% | |
| # Holdings | 1501 | 1143 | 140 | 52 | 152 | 87 | |
| Market Cap | \$ 39,499,221 | \$ 52,742,983 | \$ 46,141,691 | \$ 55,143,744 | \$ 12,069,713 | \$ 18,206,823 | |



GLOBAL EQUITY CHARACTERISTICS

World

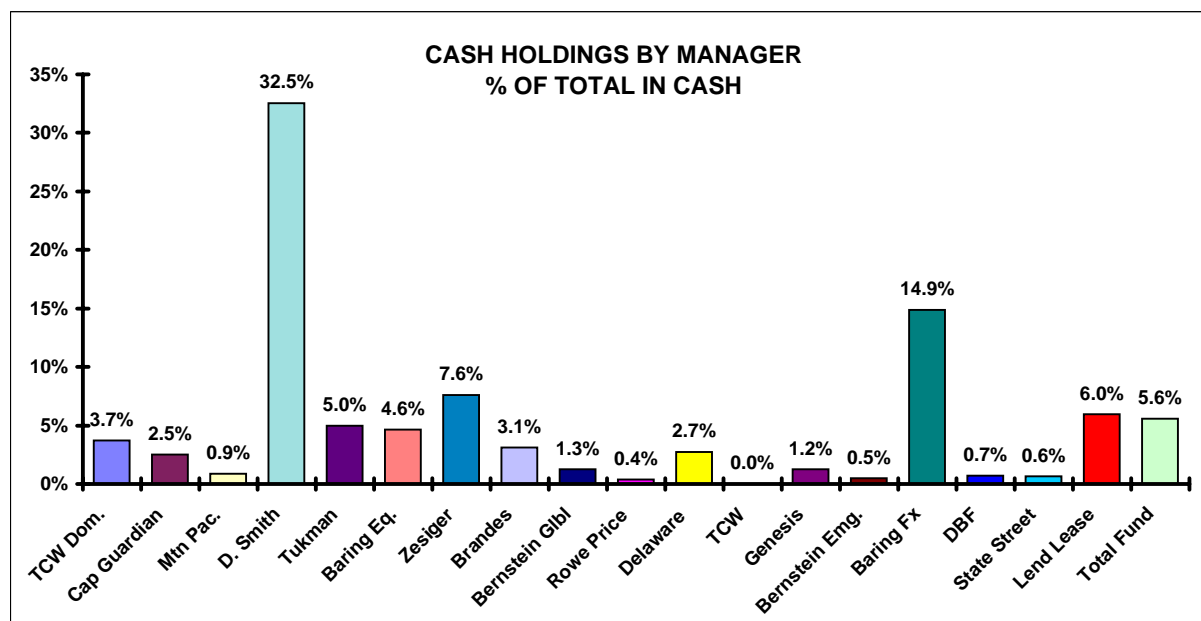
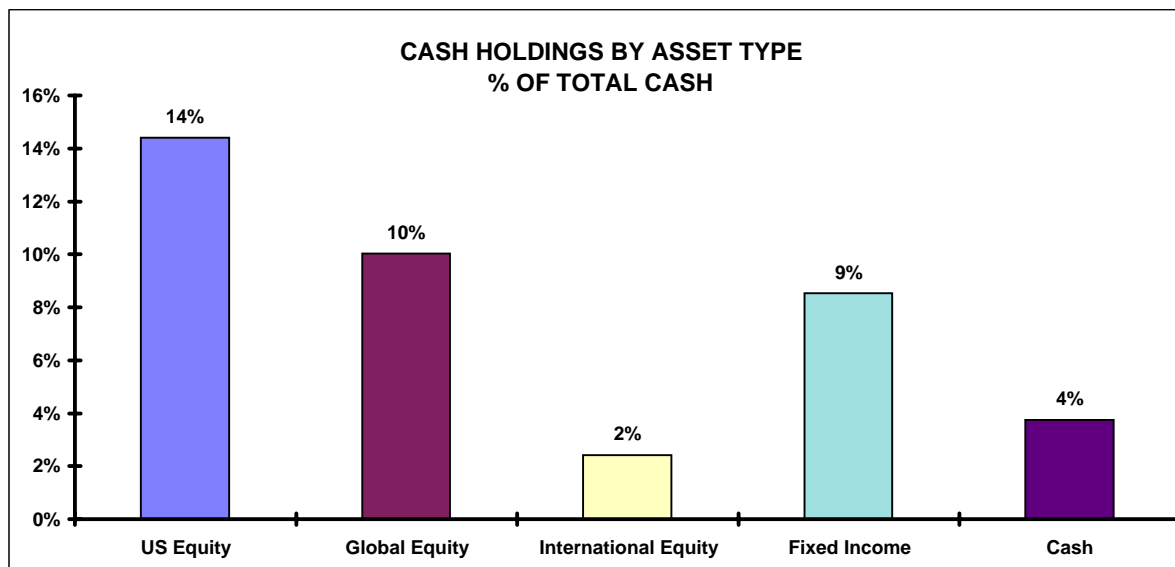
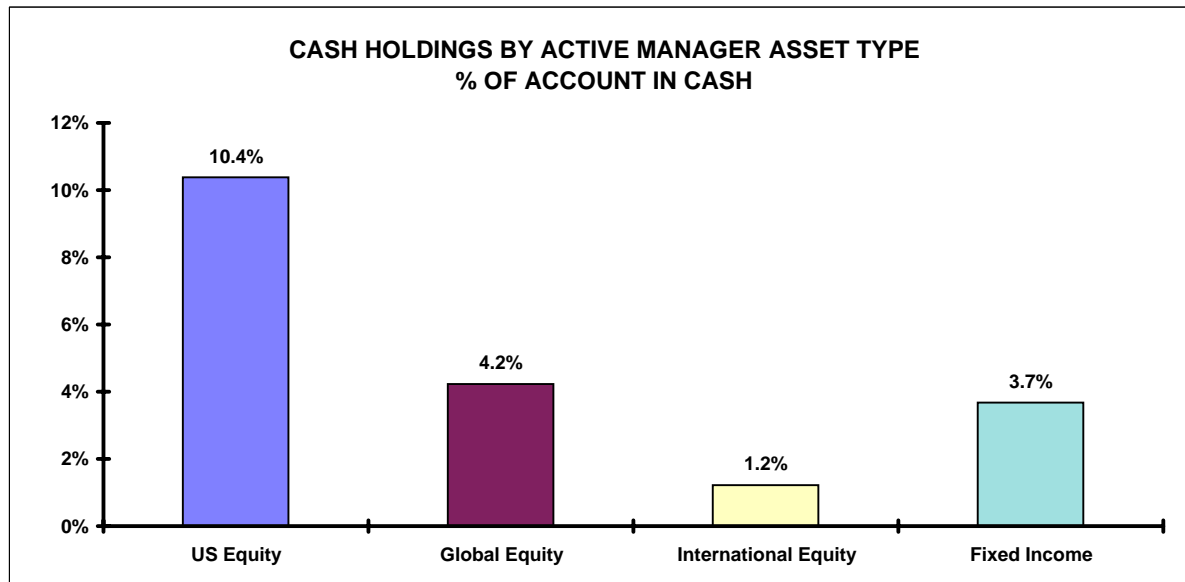
| | <i>PERSI</i> | <i>50/50 Index</i> | <i>Barings</i> | <i>Brandes</i> | <i>Cap Guard</i> | <i>Bernstein</i> | <i>Zesiger</i> |
|-----------------------------|---------------|--------------------|----------------|----------------|------------------|------------------|----------------|
| <i>Price/Book</i> | 2.5 | 2.6 | 2.8 | 2.3 | 2.6 | 1.9 | 2.0 |
| <i>Price Earnings</i> | 17.2 | 16.9 | 16.3 | 16.1 | 18.7 | 13.3 | 17.2 |
| <i>P/E 5 Yr Average</i> | 22.9 | 24.1 | 22.7 | 49.5 | 31.1 | 18.2 | 62.2 |
| <i>P/E X Neg</i> | 16.2 | 16.2 | 15.7 | 14.9 | 17.5 | 12.0 | 12.1 |
| <i>Next Year P/E</i> | 14.8 | 15.1 | 14.5 | 15.0 | 15.6 | 11.0 | 12.8 |
| <i>Dividend Yield</i> | 1.9% | 2.0% | 1.6% | 2.5% | 1.6% | 2.0% | 1.5% |
| <i>ROA</i> | 6.7% | 6.6% | 7.9% | 4.0% | 6.9% | 4.9% | 6.6% |
| <i>ROE</i> | 18.5% | 18.5% | 21.9% | 13.2% | 16.9% | 16.3% | 13.8% |
| <i>ROE 5 Year Average</i> | 15.4% | 15.1% | 16.2% | 11.0% | 13.7% | 12.9% | 10.8% |
| <i>Forecast 1 Yr Growth</i> | 9.0% | 7.3% | 8.3% | | 12.4% | 9.4% | |
| <i>Median LT Growth</i> | 11.8% | 10.9% | 12.3% | 9.2% | 11.7% | 10.4% | 17.1% |
| <i>Av LT Growth</i> | 13.5% | 13.9% | 10.4% | 13.3% | 12.8% | 12.9% | 10.8% |
| <i>St Dev LT Growth</i> | 24.6% | 25.9% | 19.7% | 22.3% | 13.6% | 22.8% | 14.4% |
| <i># Holdings</i> | 4562 | 2,080 | 92 | 80 | 254 | 70 | 66 |
| <i>Market Cap</i> | \$ 53,225,348 | \$ 63,407,847 | \$ 72,203,933 | \$ 44,981,897 | \$ 54,923,989 | \$ 62,691,869 | \$ 25,371,490 |
| <i>% US Holdings</i> | 61% | 50% | 34% | 41% | 37% | 34% | 54% |

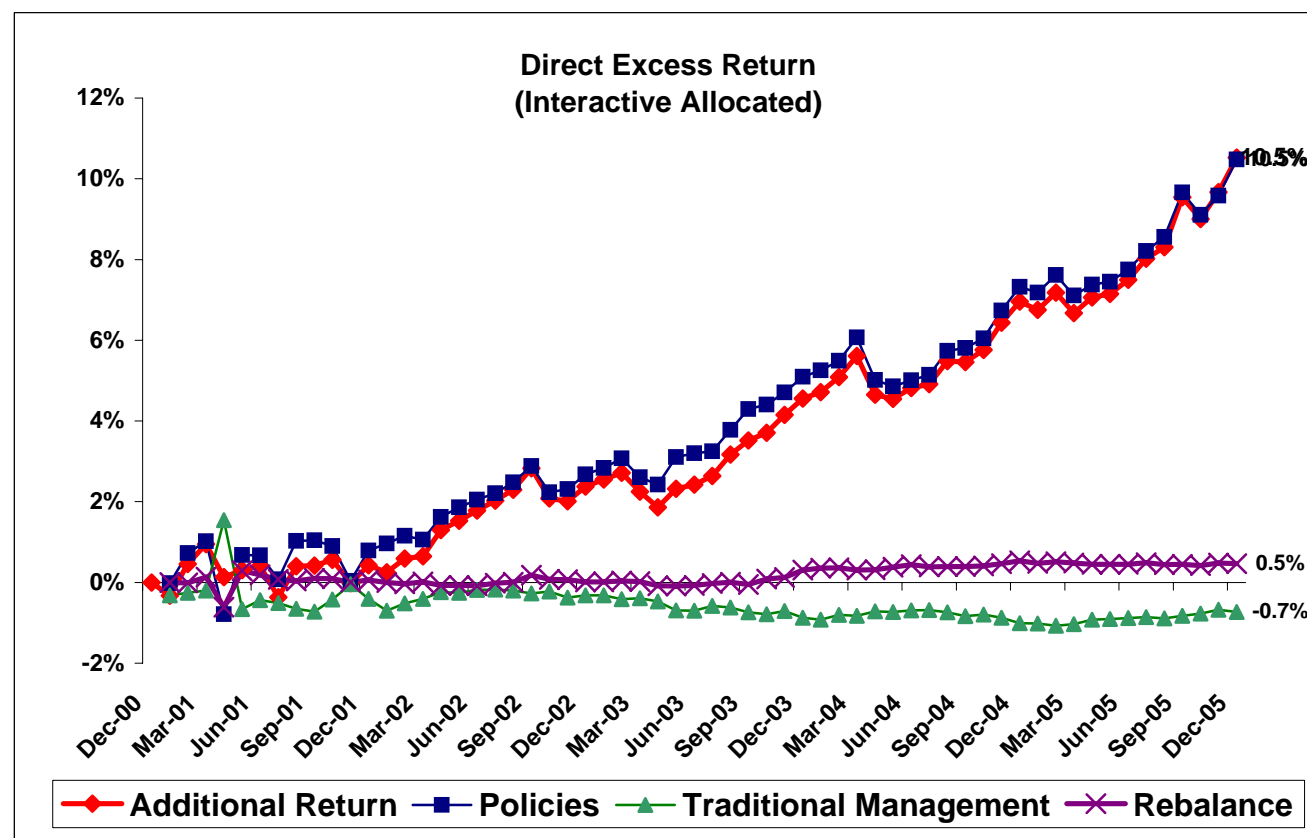
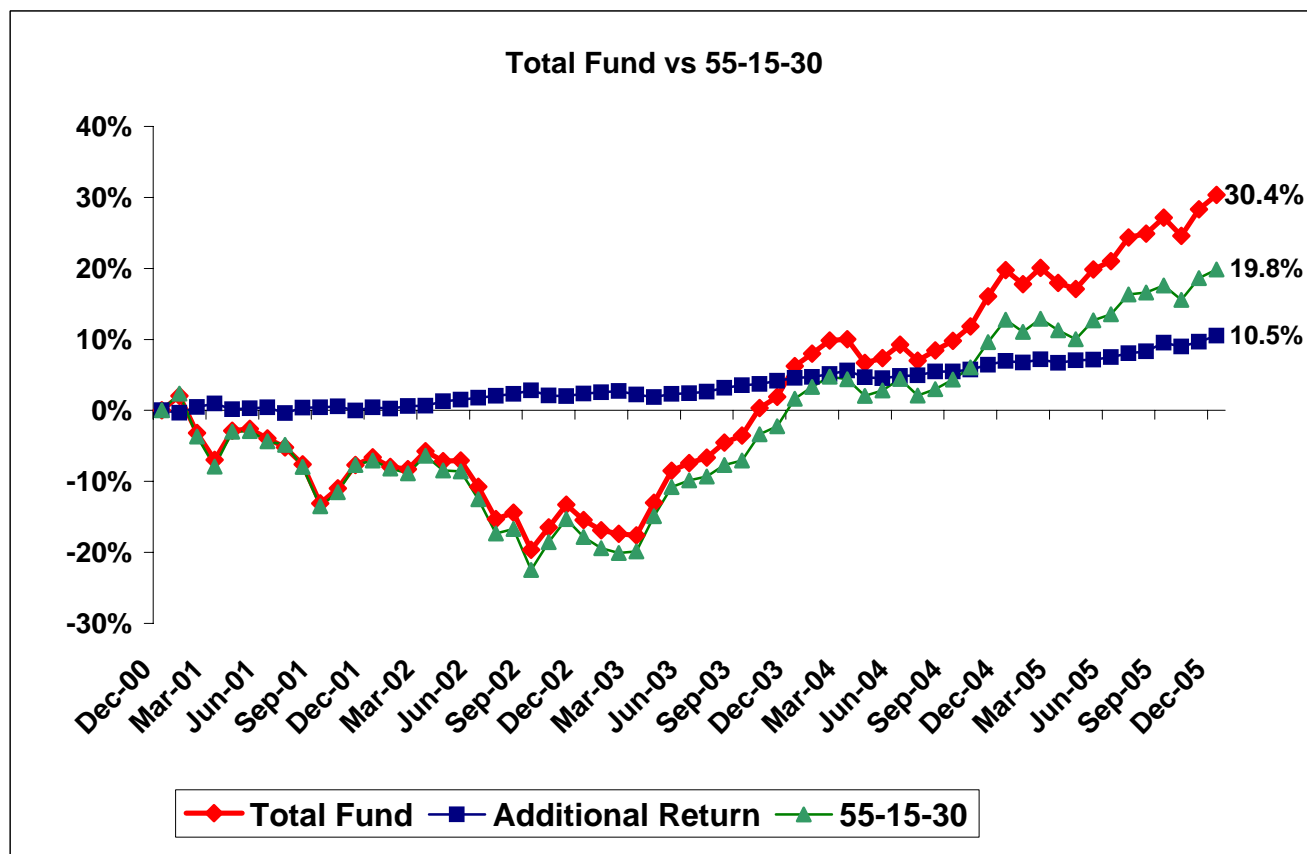
Domestic

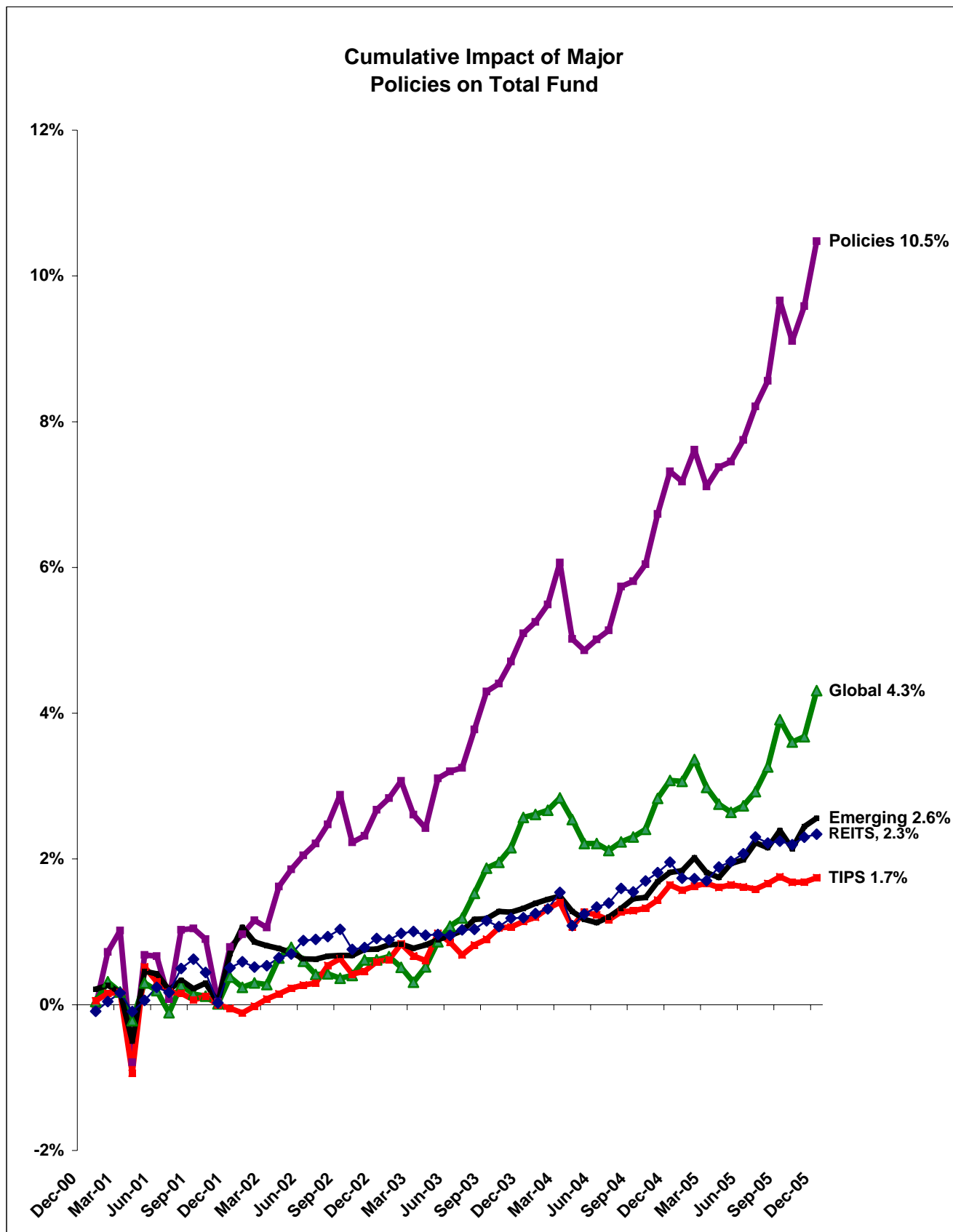
| | <i>Peregrine</i> | <i>Russell 3000</i> | <i>Barings</i> | <i>Brandes</i> | <i>Cap Guard</i> | <i>Bernstein</i> | <i>Zesiger</i> |
|--------------------------------|------------------|---------------------|----------------|----------------|------------------|------------------|----------------|
| <i>U.S. Av. Market Cap</i> | \$ 80,290,655 | \$ 74,072,711 | \$ 142,386,930 | \$ 43,751,908 | \$ 65,954,390 | \$ 102,016,133 | \$ 34,660,948 |
| <i>U.S. Dividend Yield</i> | 0.6% | 1.7% | 1.5% | 3.0% | 1.4% | 1.8% | 0.9% |
| <i>U.S. P/E (trailing)</i> | 24.2 | 18.4 | 16.3 | 17.3 | 20.8 | 14.5 | 52.3 |
| <i>U.S. P/E ex Neg</i> | 24.2 | 17.6 | 16.3 | 14.8 | 19.8 | 13.6 | 20.2 |
| <i>US P/E 5 yr Average</i> | 29.1 | 22.3 | 23.9 | 30.3 | 27.3 | 20.1 | 51.3 |
| <i>Forecast 1 YR PE</i> | 21.1 | 16.0 | 15.5 | 14.6 | 16.7 | 12.7 | 16.5 |
| <i>U.S. Price/Book Value</i> | 4.5 | 2.8 | 3.2 | 2.3 | 2.8 | 2.0 | 3.0 |
| <i>Price/Cash</i> | 19.5 | 12.5 | 12.8 | 9.2 | 13.0 | 9.3 | 15.4 |
| <i>Return on Assets</i> | 10.1% | 7.1% | 9.0% | 2.8% | 7.3% | 4.3% | 2.9% |
| <i>Return on Equity</i> | 21.5% | 19.7% | 22.9% | 8.2% | 20.9% | 17.8% | 3.7% |
| <i>Return on Equity (5 YR)</i> | 17.9% | 17.3% | 18.5% | 14.7% | 17.0% | 14.9% | 3.7% |
| <i>Earning Growth 5 Yr</i> | 15.7% | 13.0% | 16.9% | -8.0% | 13.4% | 6.7% | -10.8% |
| <i>Earnings Growth 10 Yr</i> | 18.7% | 10.5% | 13.5% | -5.0% | 11.9% | 7.7% | -3.3% |
| <i>Forecast 1 Yr Growth</i> | 14.3% | 10.1% | 5.4% | 0.7% | 18.6% | 7.0% | 22.5% |
| <i>Forecast LT Growth</i> | 17.0% | 12.4% | 12.3% | 7.3% | 13.2% | 10.0% | 16.3% |
| <i># Holdings</i> | 32 | 3044 | 28 | 25 | 90 | 23 | 37 |

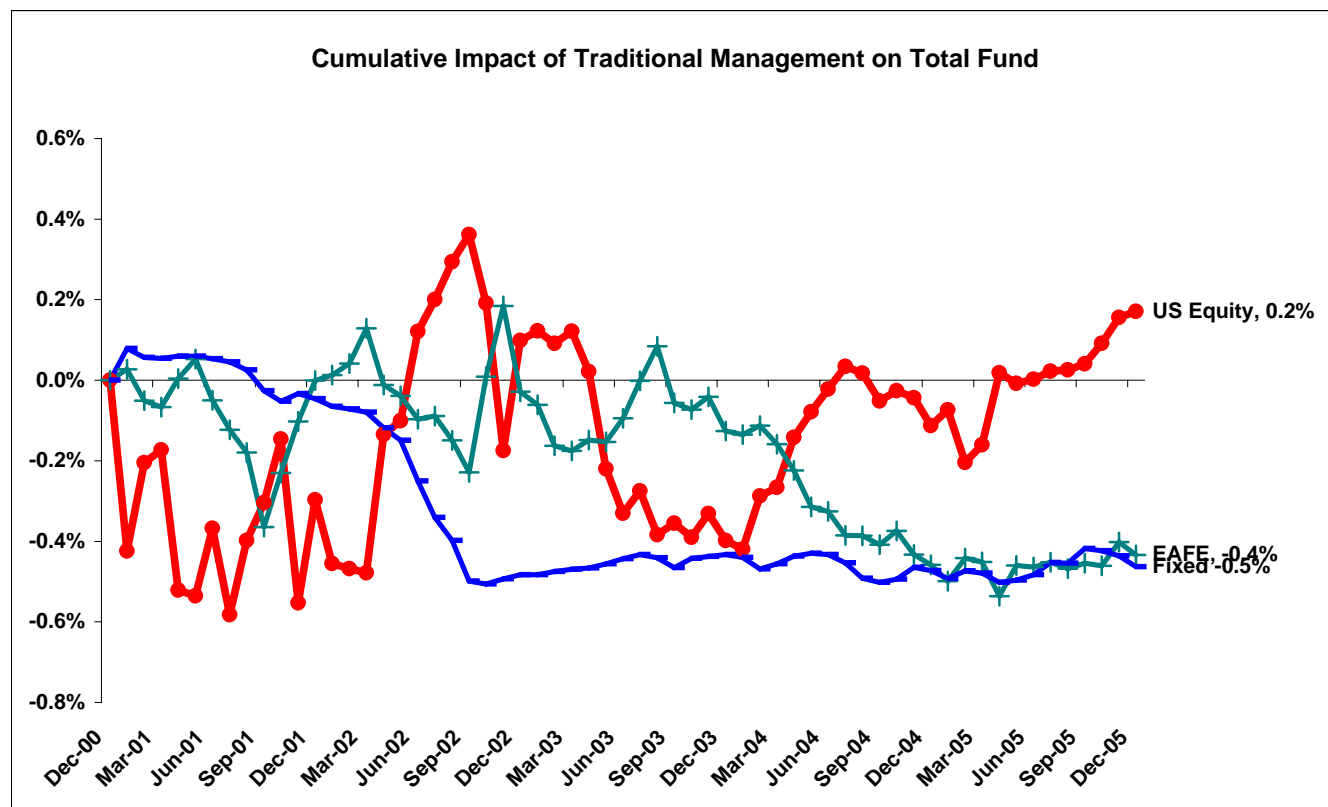
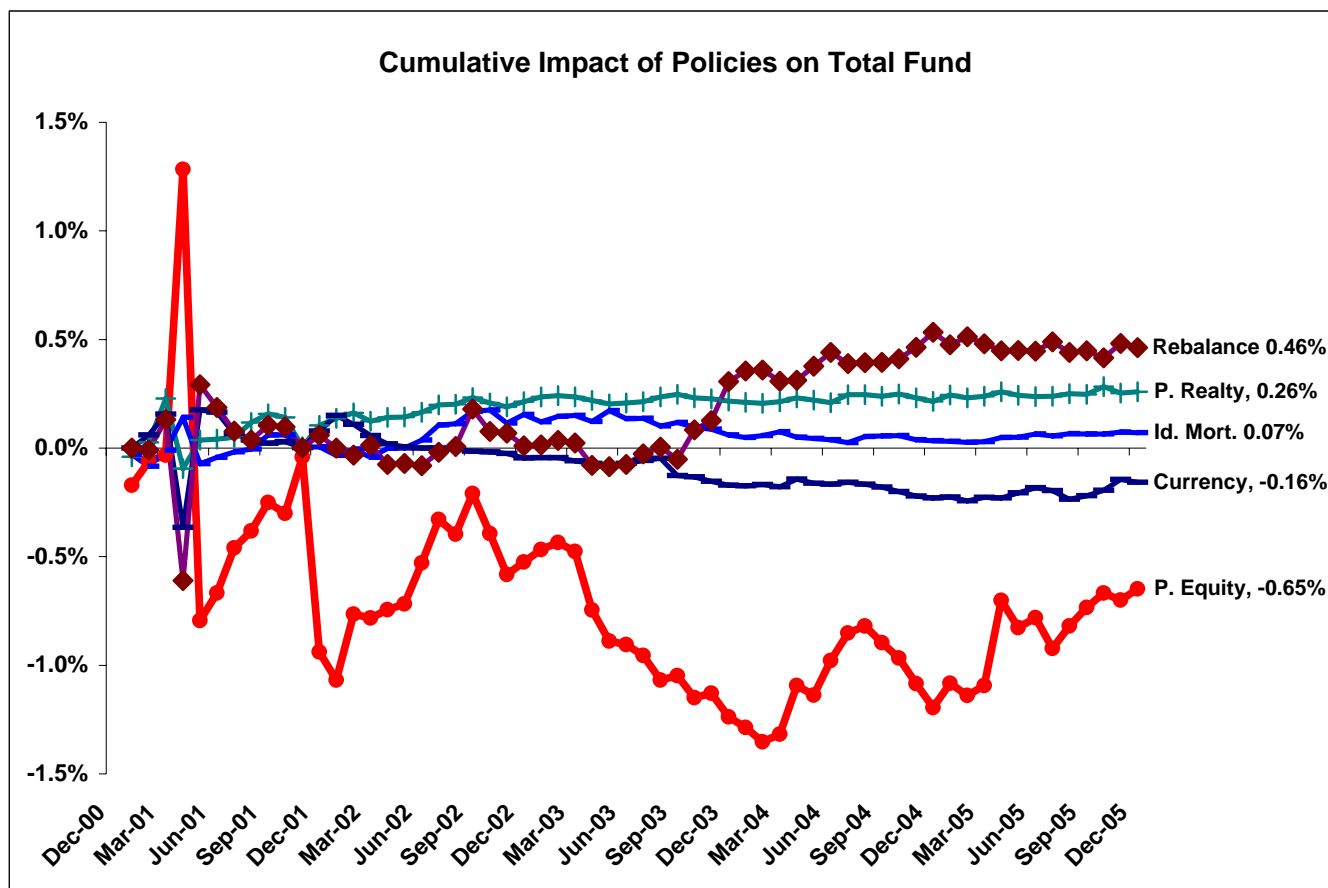
FIXED INCOME PORTFOLIO

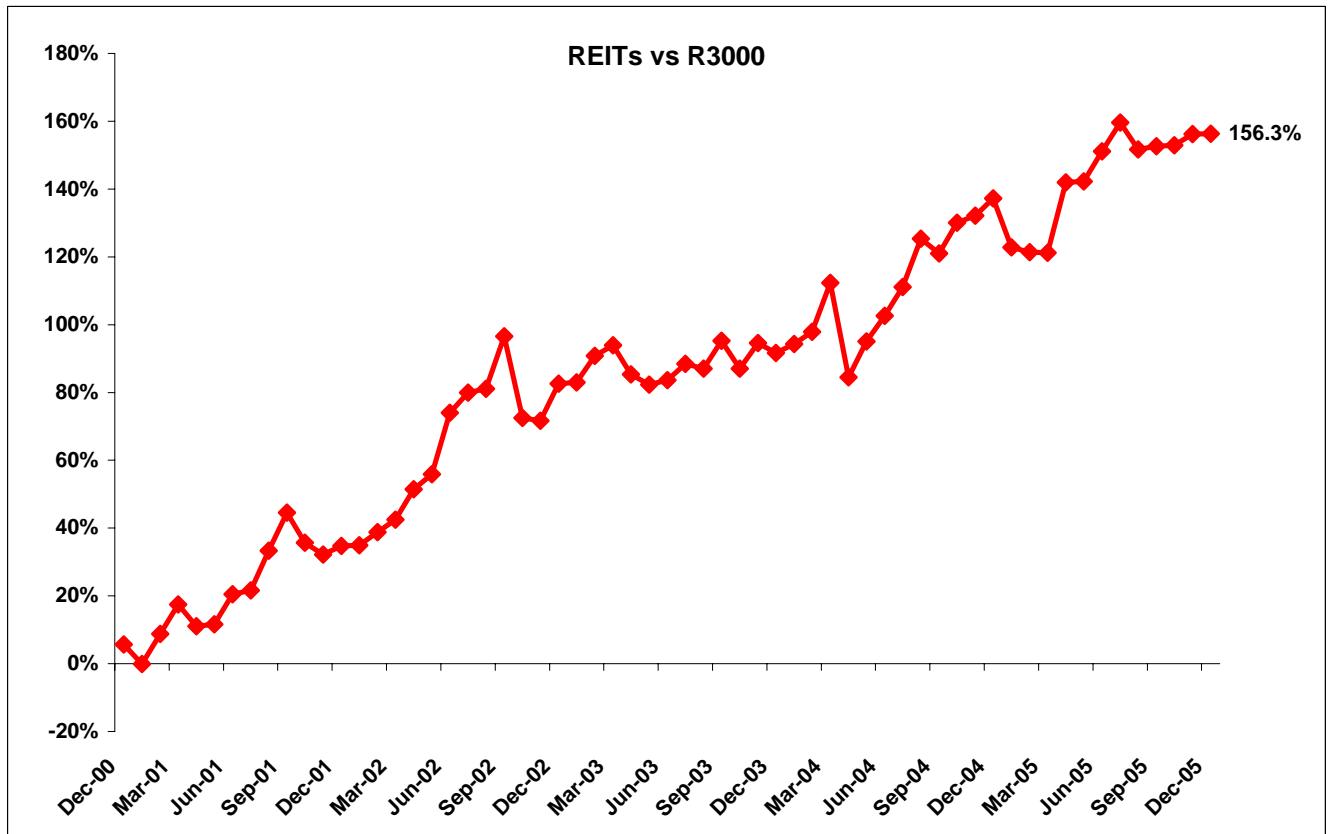
| | | | | | | |
|------------------------|-----------------|---------|--------------|-------------|-----------|---------|
| Market Value | \$2,835,807,359 | | | Holdings | | 2586 |
| | ML Domestic | Barings | ML Gov/Corp | St. Street | ML Mort | DBF MBS |
| Coupon | 5.4% | 4.0% | 5.4% | 5.3% | 5.4% | 5.5% |
| Current Yield | 5.1% | 4.7% | 4.9% | 4.9% | 5.5% | 5.5% |
| Yield to Maturity | 5.1% | 4.8% | 4.9% | 4.9% | 5.5% | 5.6% |
| Modified Duration | 5.1 | 4.4 | 5.3 | 5.2 | 4.7 | 4.5 |
| Option Adj. Duration | 5.0 | 5.2 | 5.2 | 5.1 | 4.7 | 3.5 |
| Convexity | -0.1 | 0.5 | 0.5 | 0.5 | -1.3 | -1.2 |
| Years to Maturity | 7.3 | 9.9 | 7.8 | 7.5 | 6.4 | 24.0 |
| Average Price | 102.7 | 94.5 | 104.6 | 105.0 | 98.9 | 97.8 |
| Moody Rating | | AGY | | AA1 | | AGY |
| Number of Holdings | 4495 | 35 | 4216 | 1713 | 279 | 38 |
| Market Value (Mill \$) | \$ - | \$ 213 | \$ - | \$ 547 | \$ - | \$ 159 |
| | ML TIPS | TIPS | Custom Index | Total Fixed | Clear MBS | ML HY |
| Coupon | 2.8% | 3.9% | 4.9% | 4.1% | 4.8% | 8.0% |
| Current Yield | 2.1% | 3.3% | 4.6% | 4.3% | 4.9% | 8.4% |
| Yield to Maturity | 2.1% | 4.6% | 4.6% | 5.0% | 4.5% | 8.4% |
| Modified Duration | 8.0 | 10.5 | 5.6 | 5.7 | 0.7 | 5.1 |
| Option Adj. Duration | 8.0 | 7.9 | | 4.8 | 0.1 | |
| Convexity | | 1.1 | | 0.7 | 0.0 | 0.1 |
| Years to Maturity | 10.1 | 14.3 | 7.8 | 11.8 | 12.7 | 8.1 |
| Average Price | 106.2 | 121.0 | 103.3 | 87.8 | 63.5 | 97.3 |
| Moody Rating | | UST | | AAA | AAA | |
| Number of Holdings | 17 | 6 | | 2586 | 13 | 1886 |
| Market Value (Mill \$) | \$ - | \$ 490 | | \$ 2,836 | \$ 152 | \$ - |

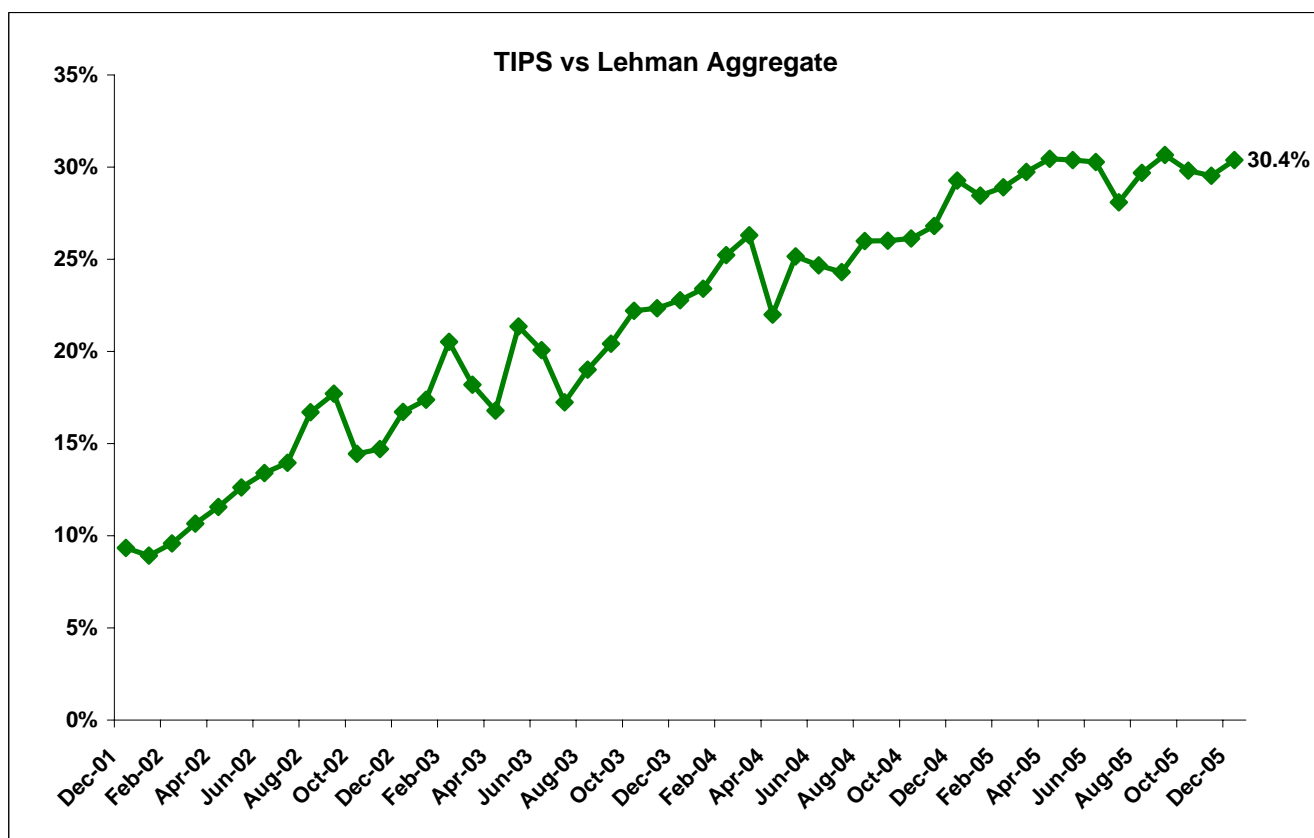
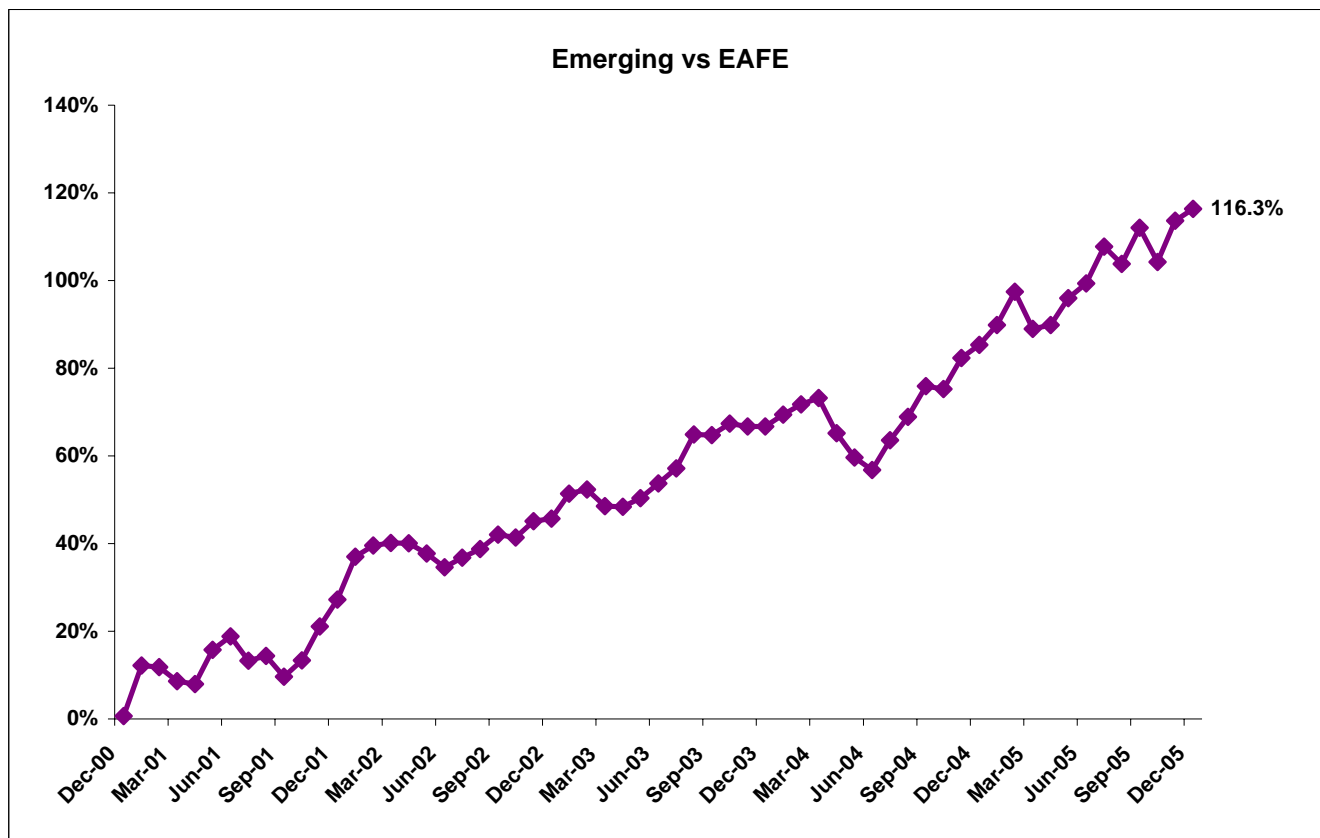


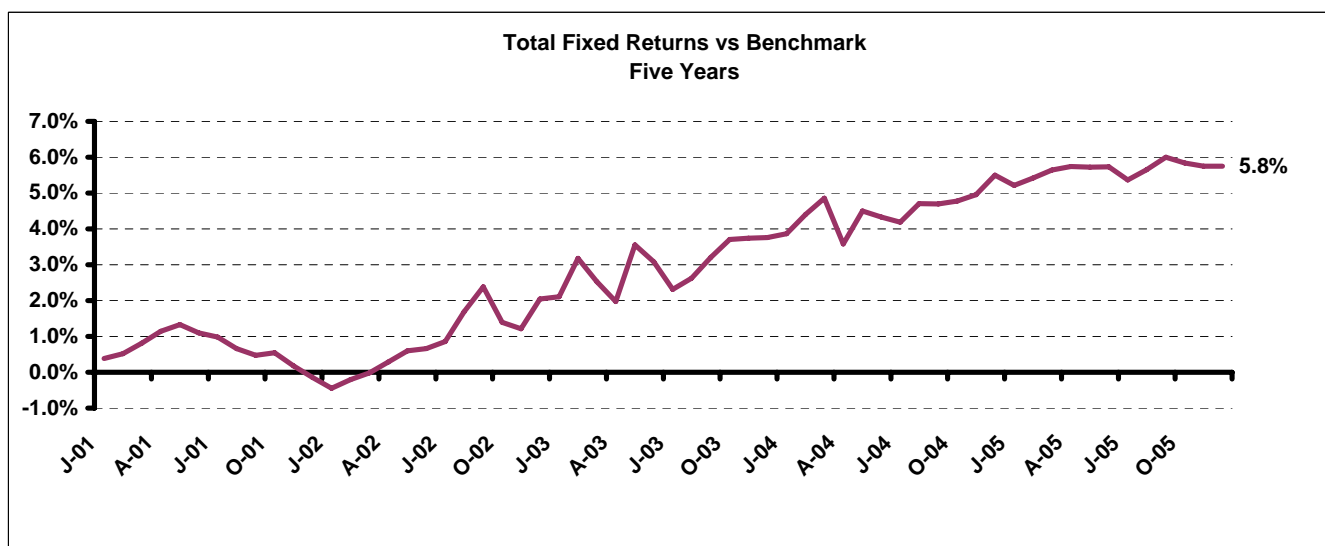
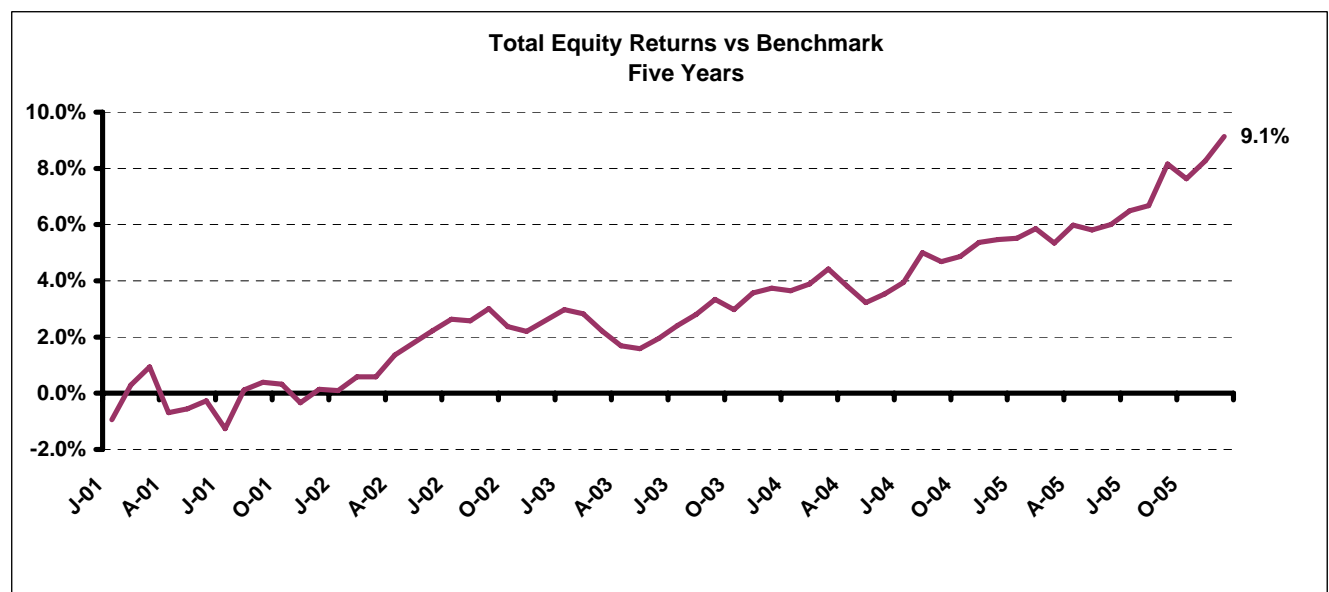
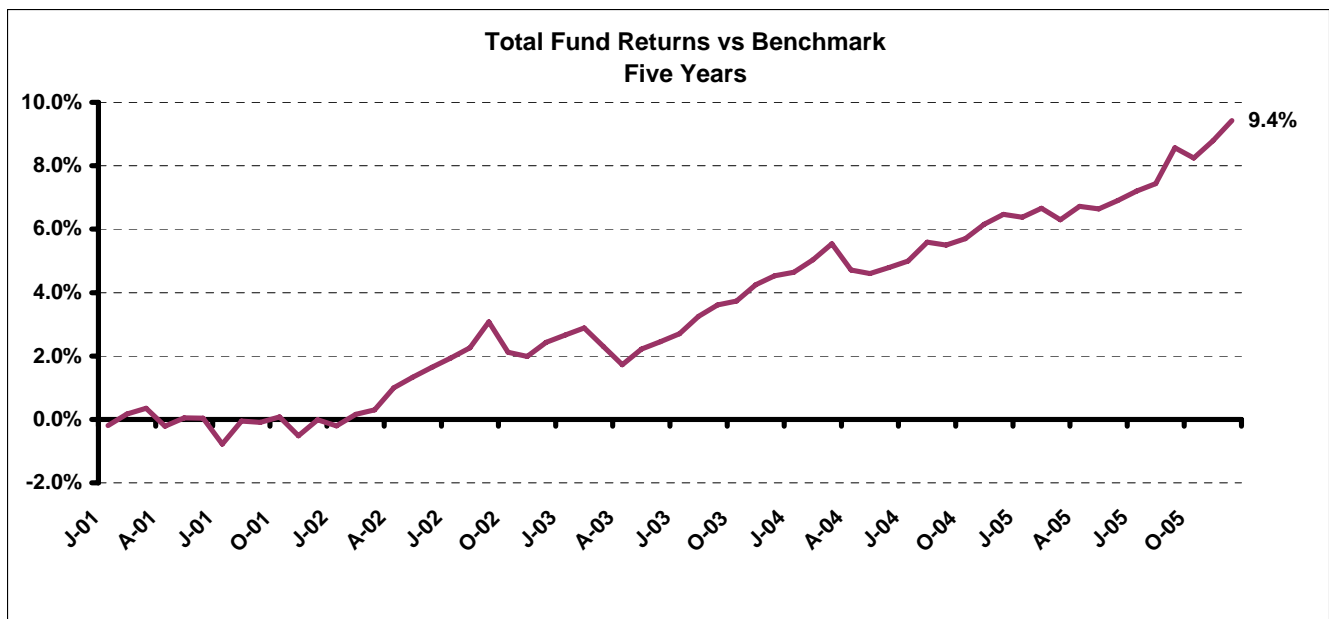


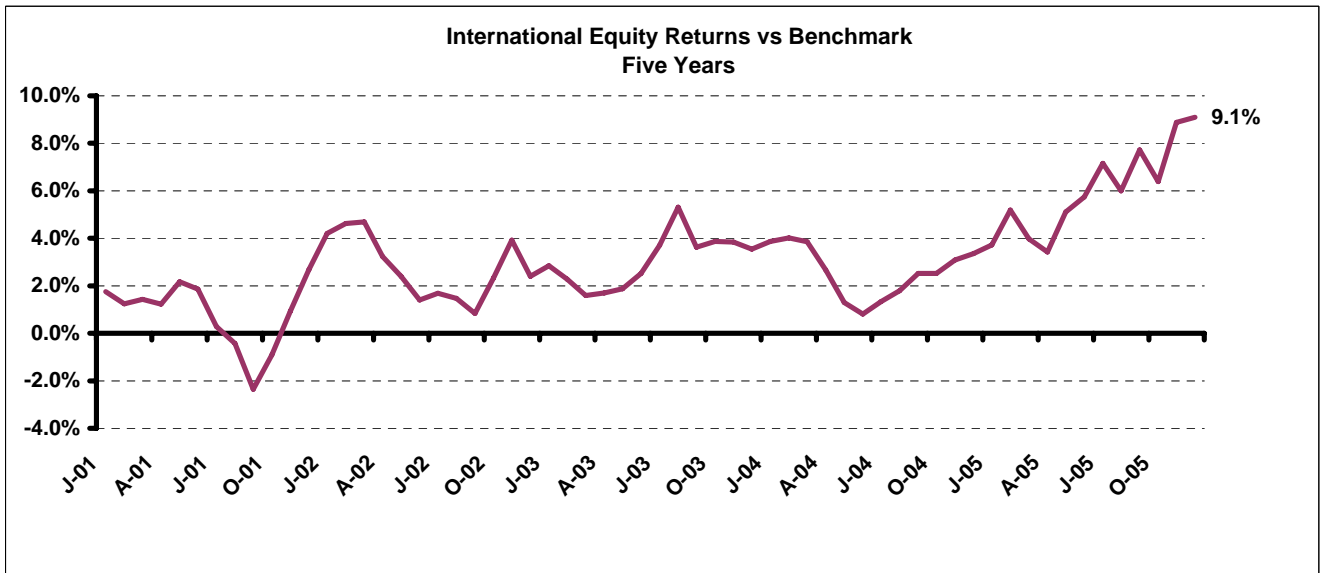
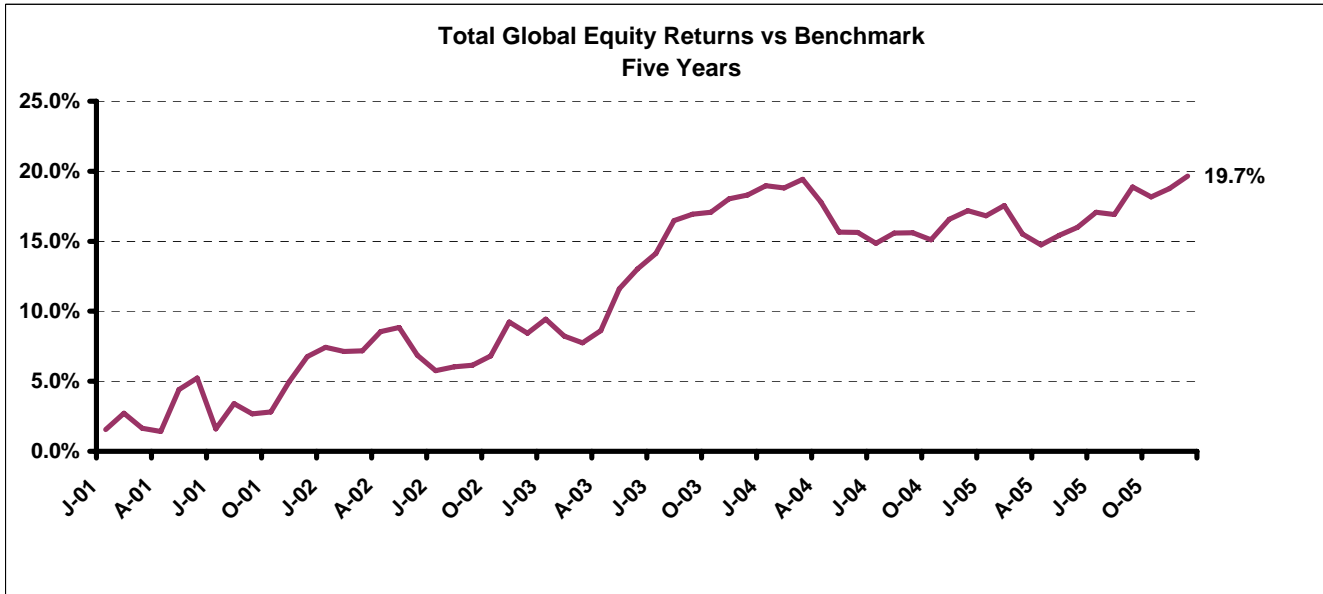
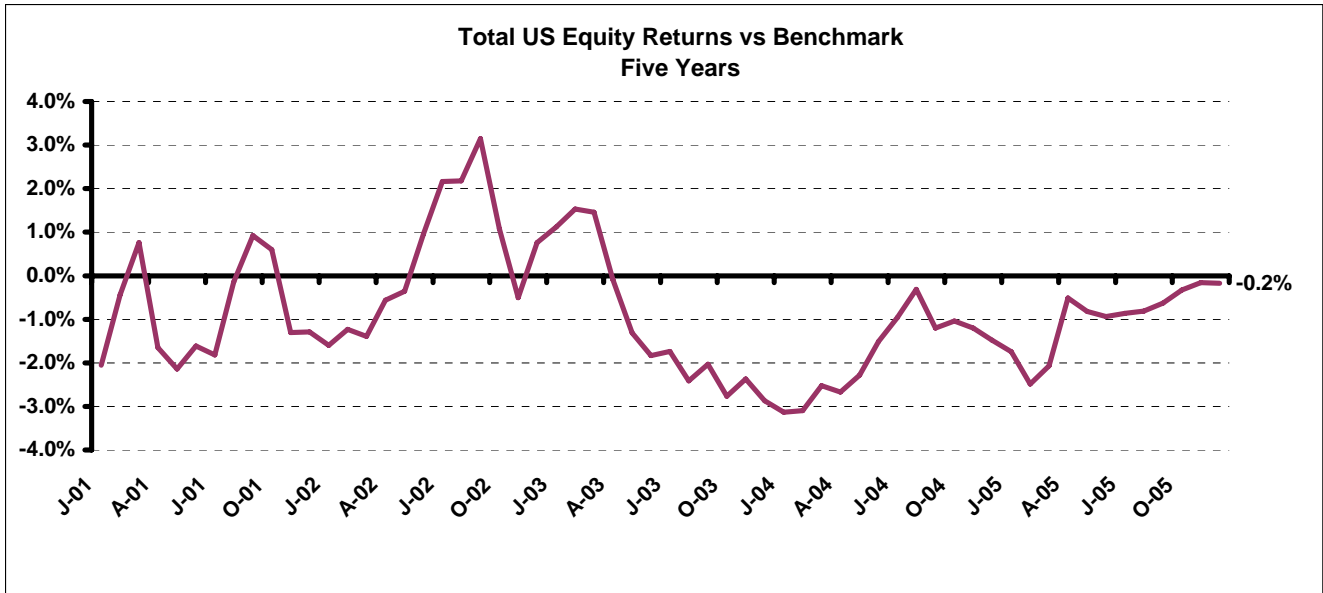


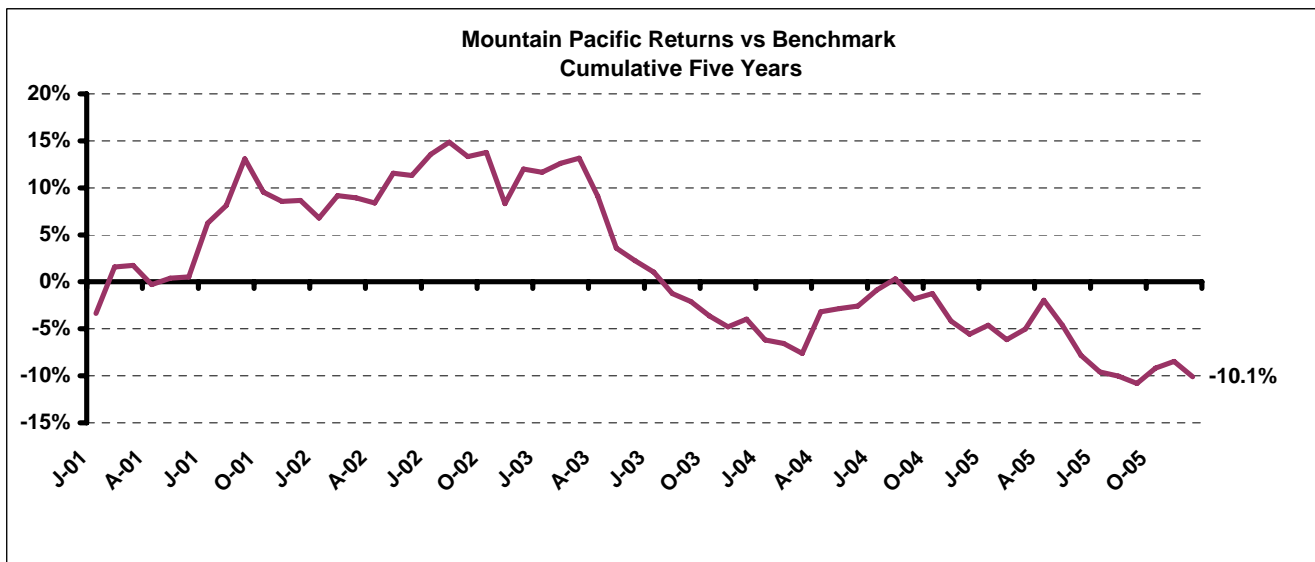
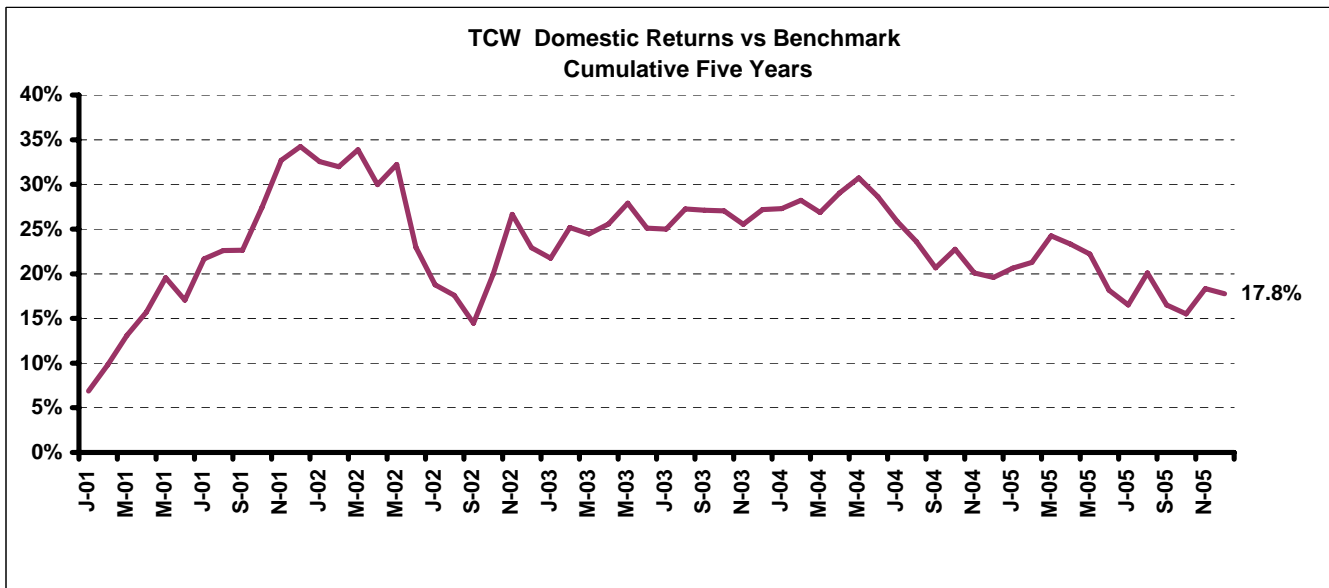
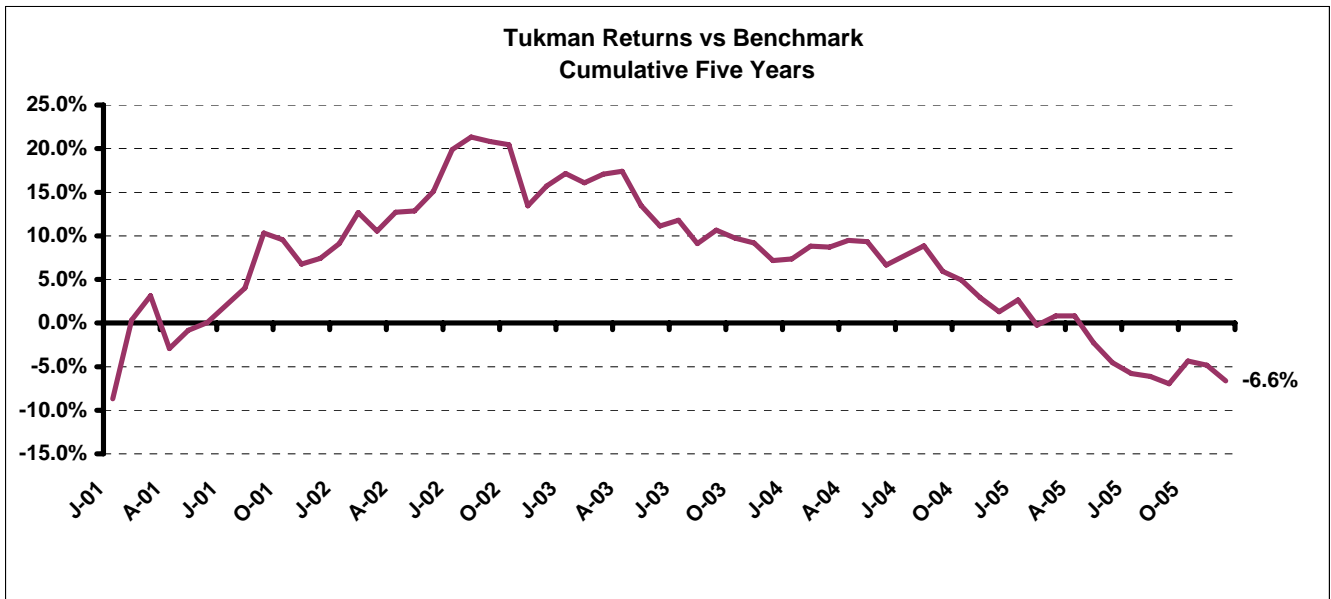


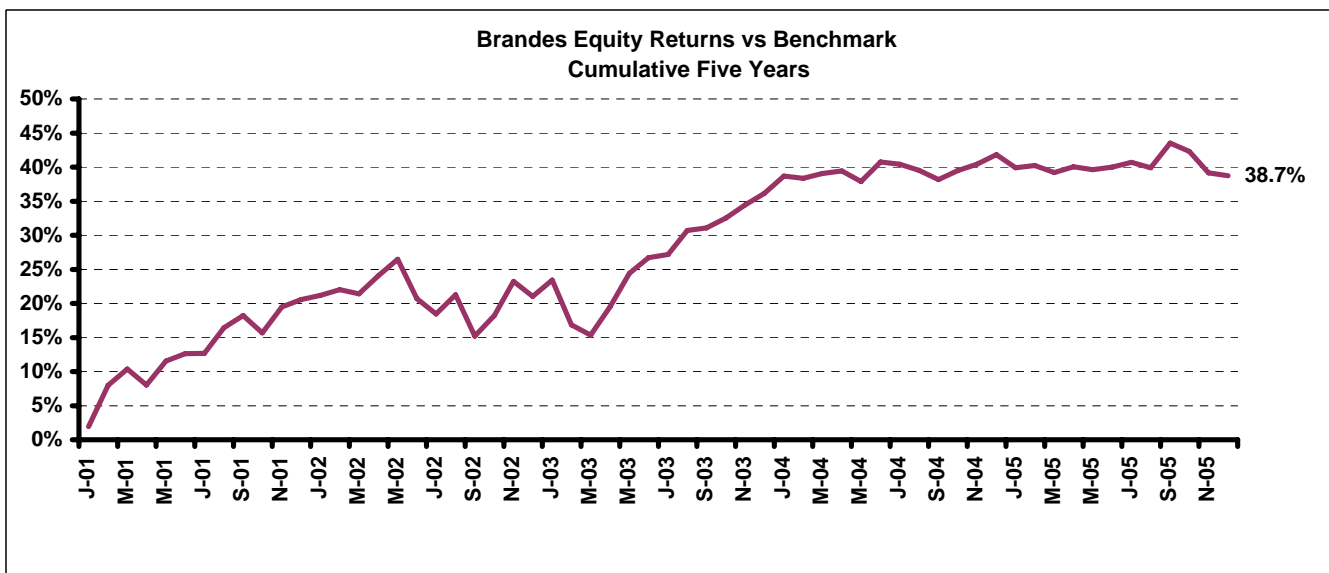
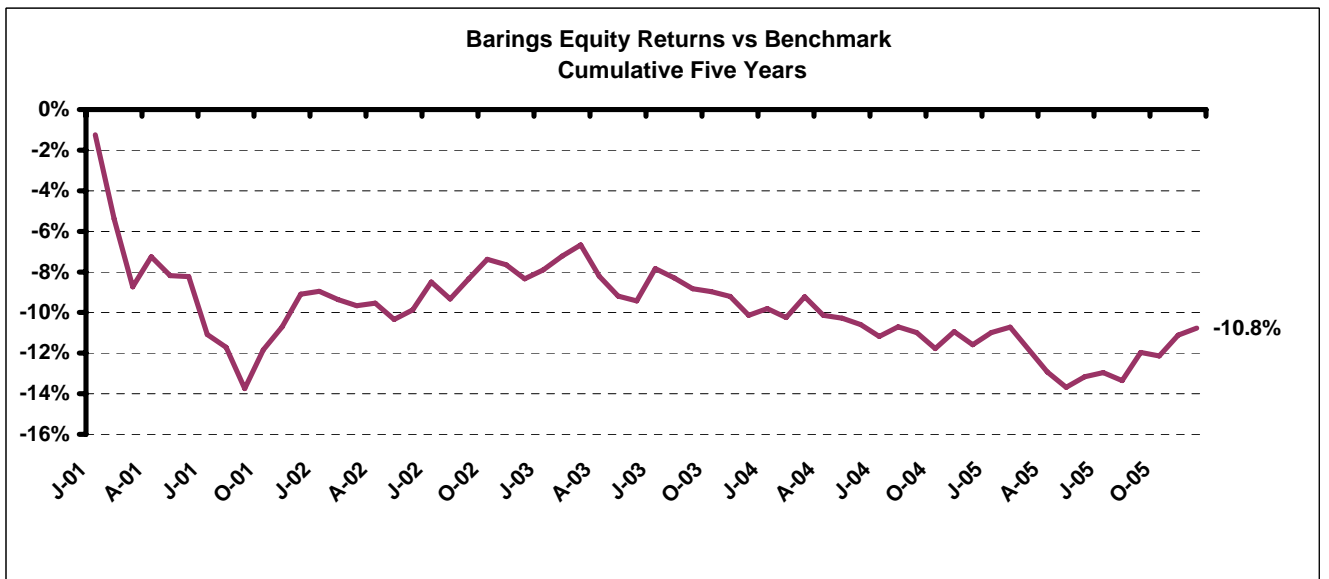
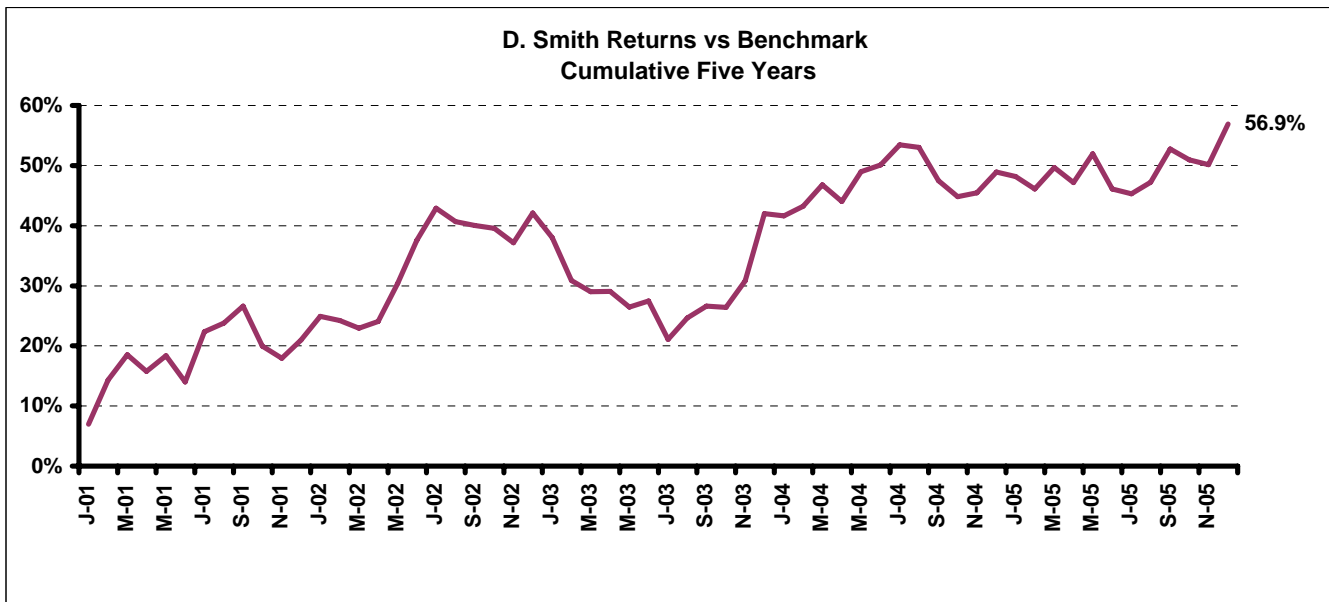




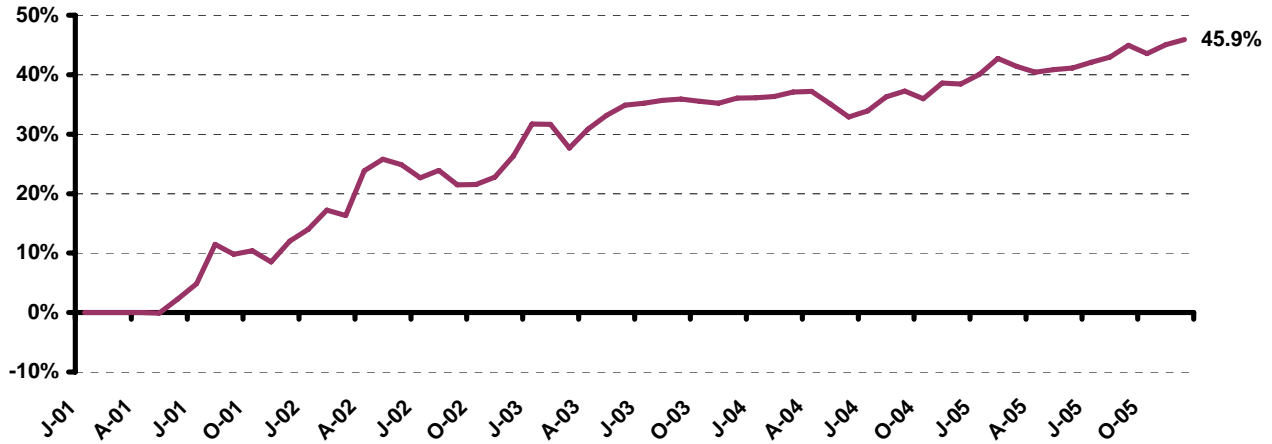








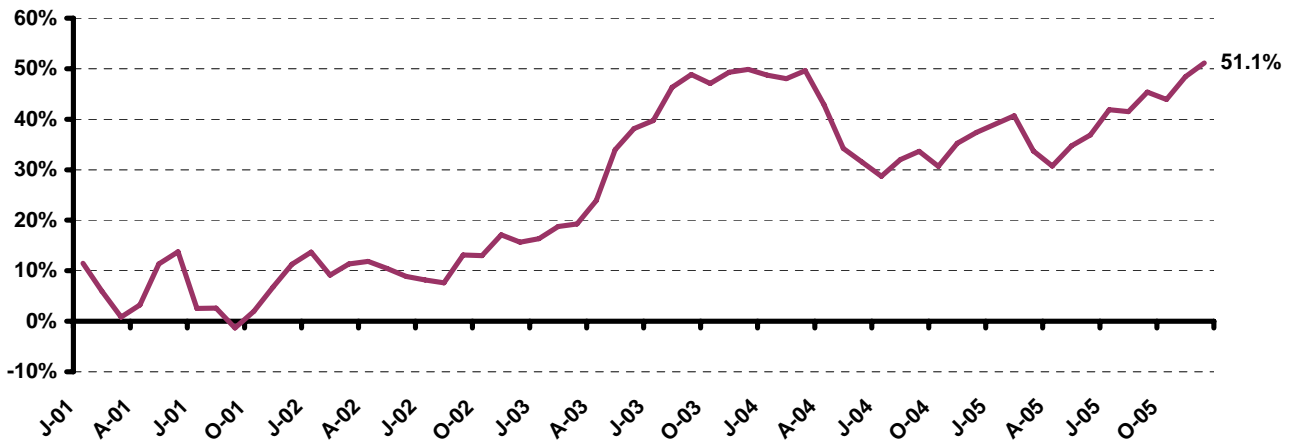
**Bernstein Global Equity Returns vs Benchmark
Cumulative Five Years**

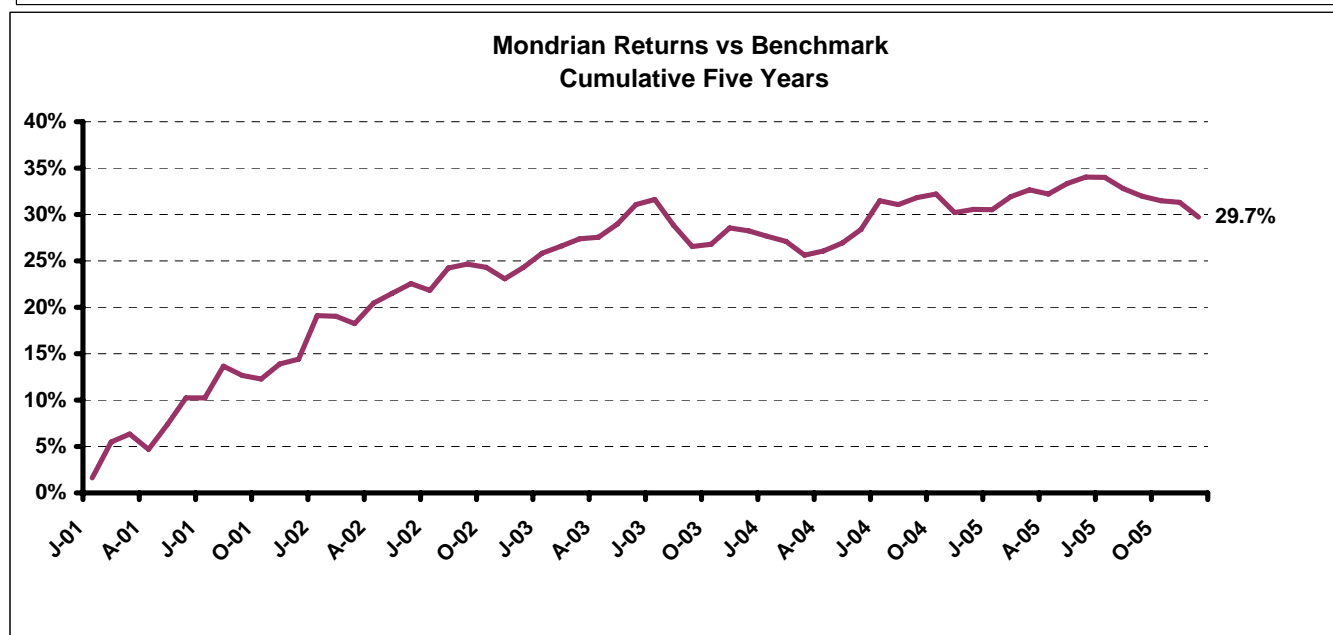
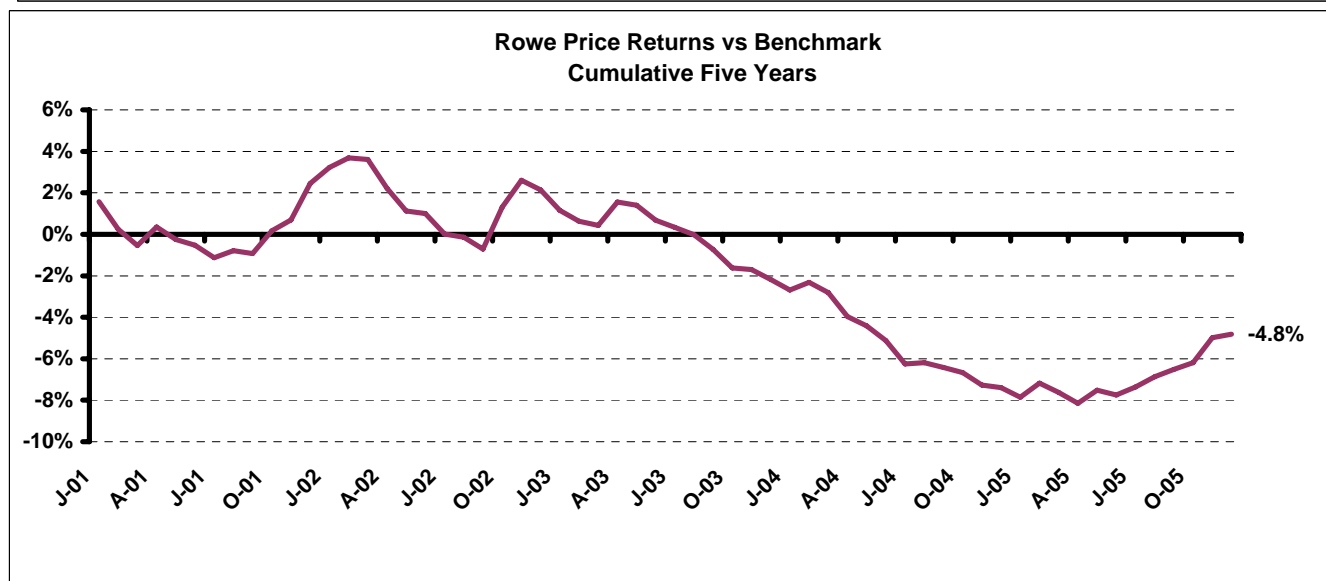
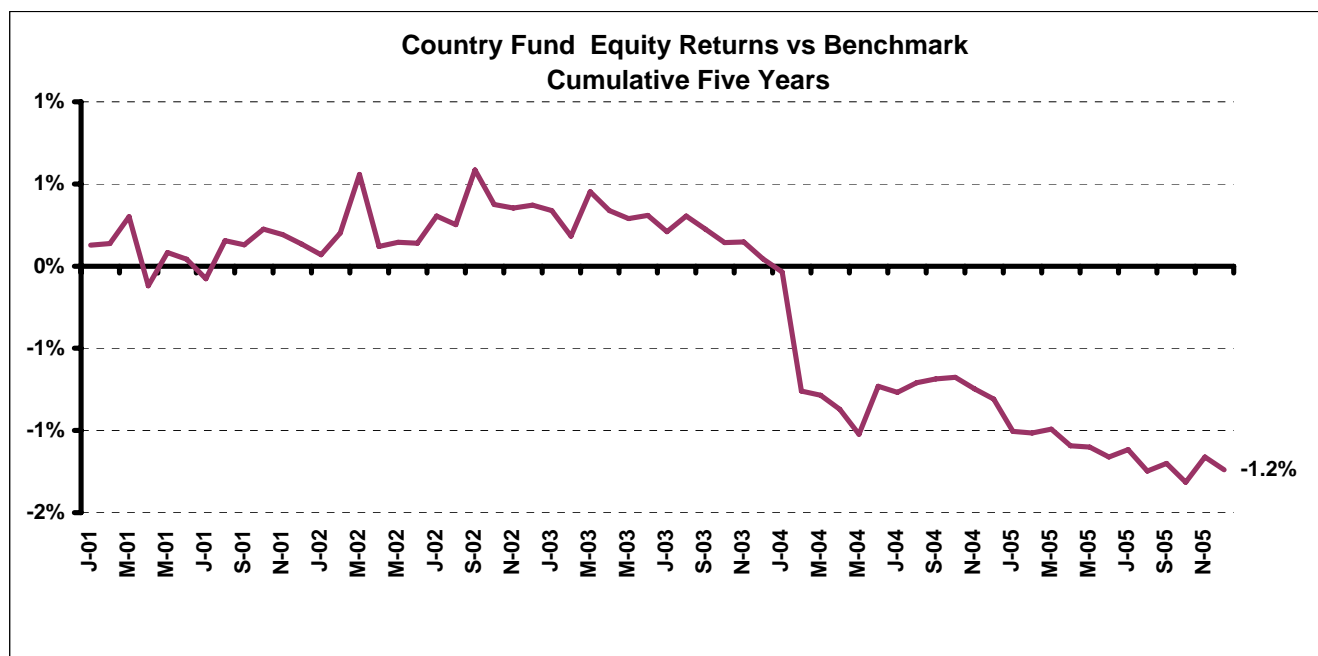


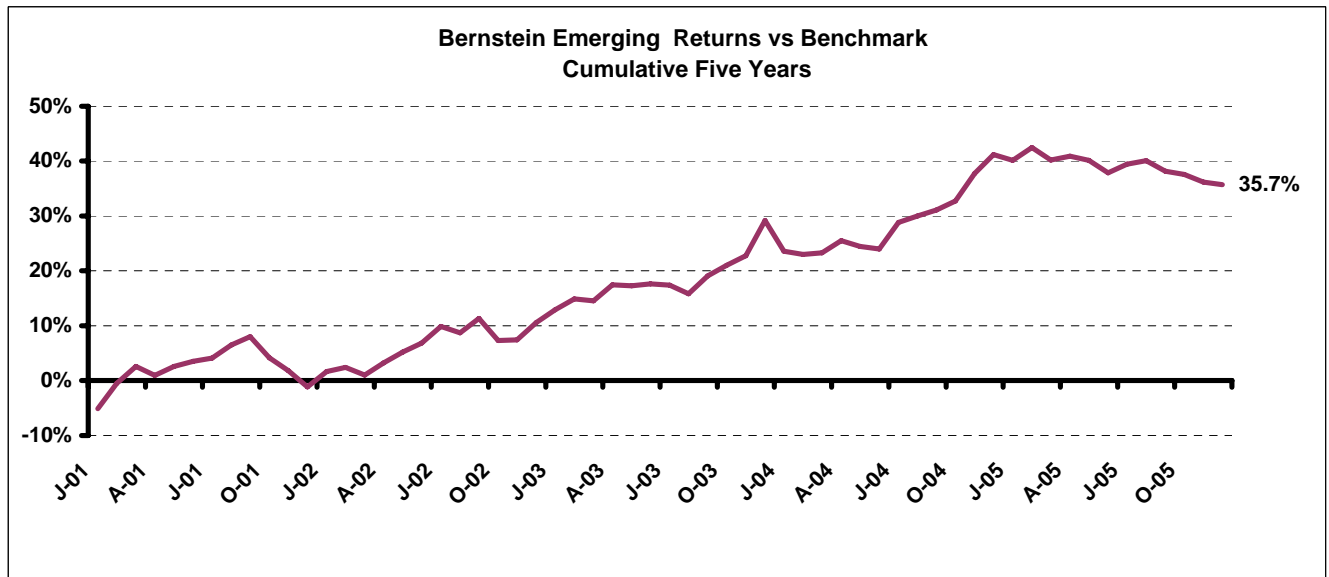
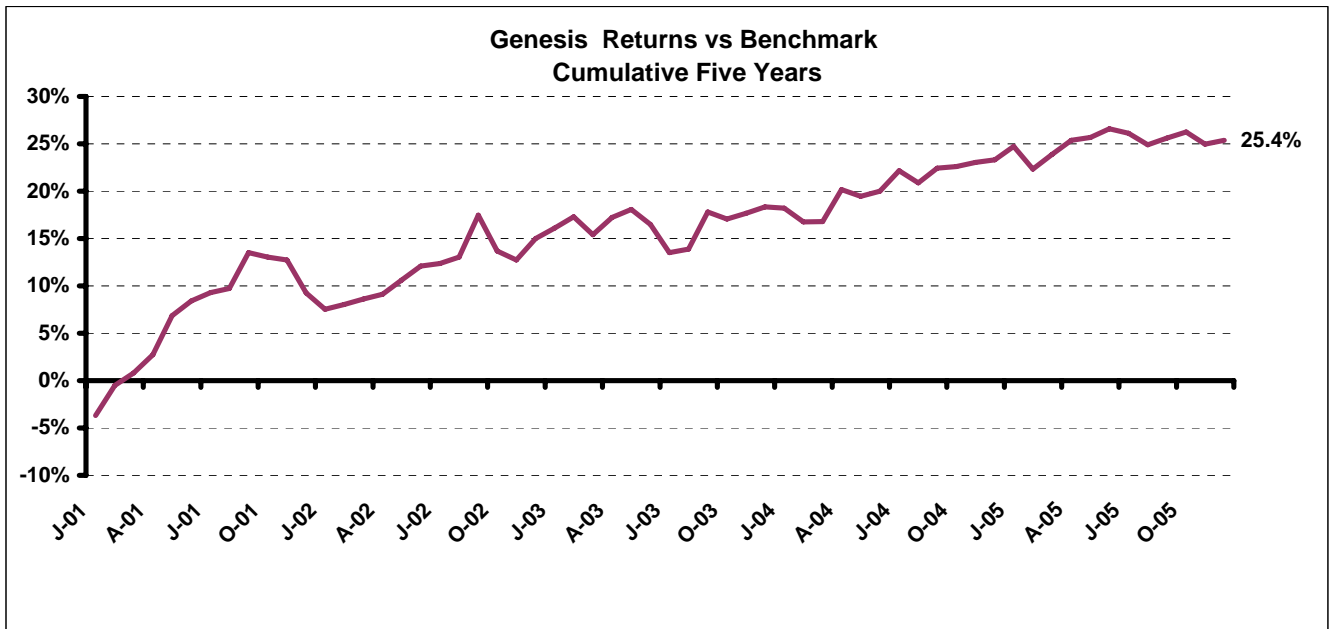
**Cap Guardian
Returns vs Benchmark
Cumulative Five Years**



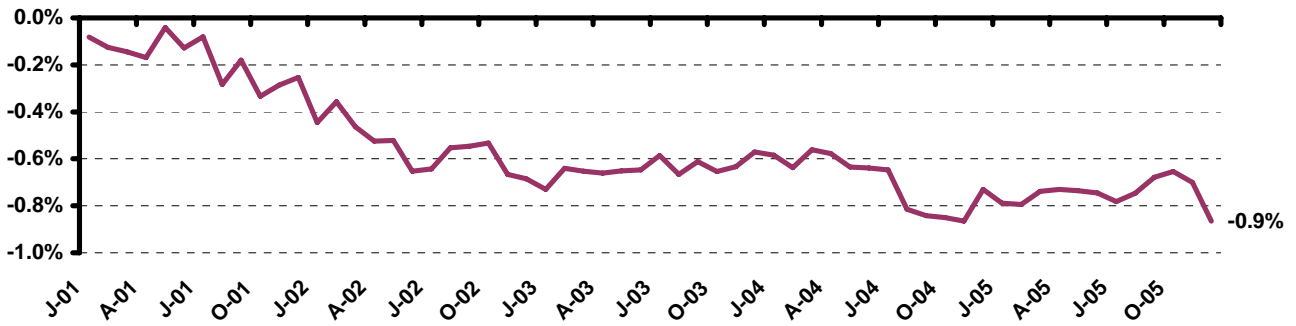
**Zesiger Equity Returns vs Benchmark
Cumulative Five Years**



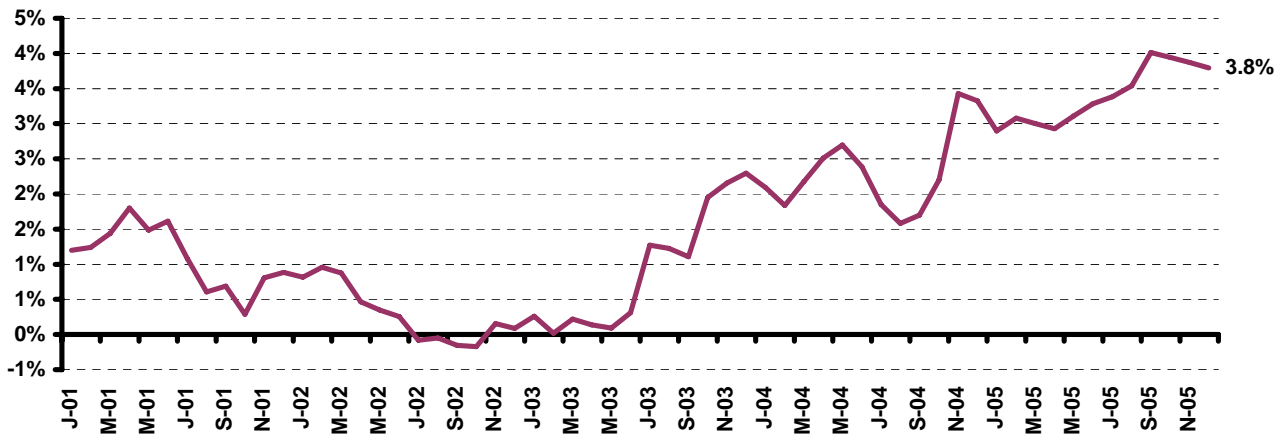




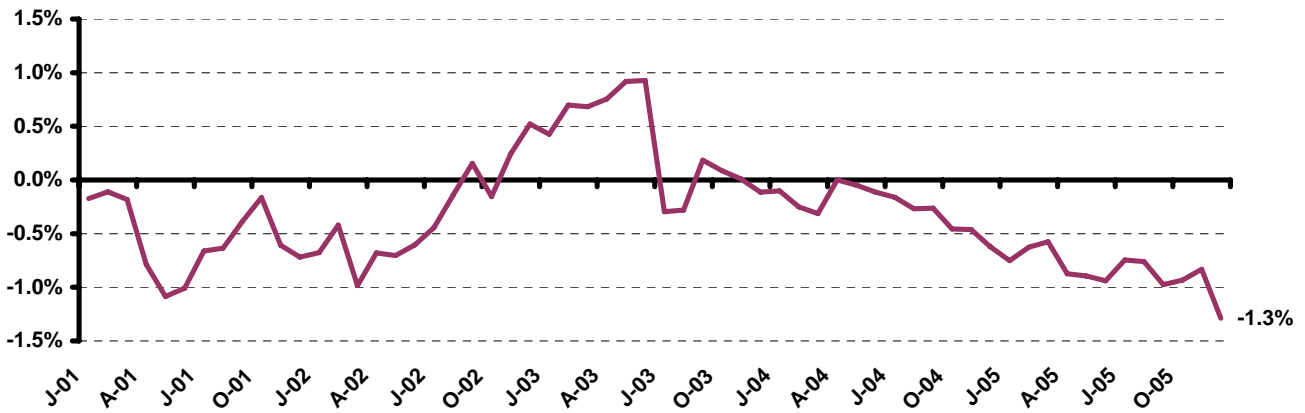
State Street Returns vs Benchmark
Cumulative Five Years

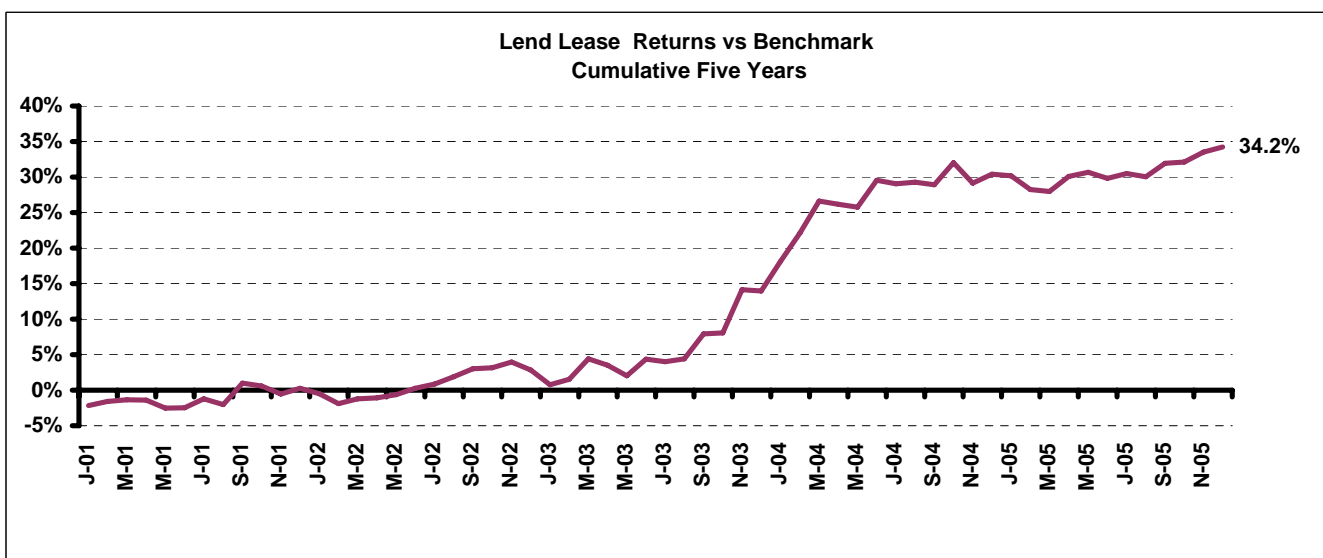
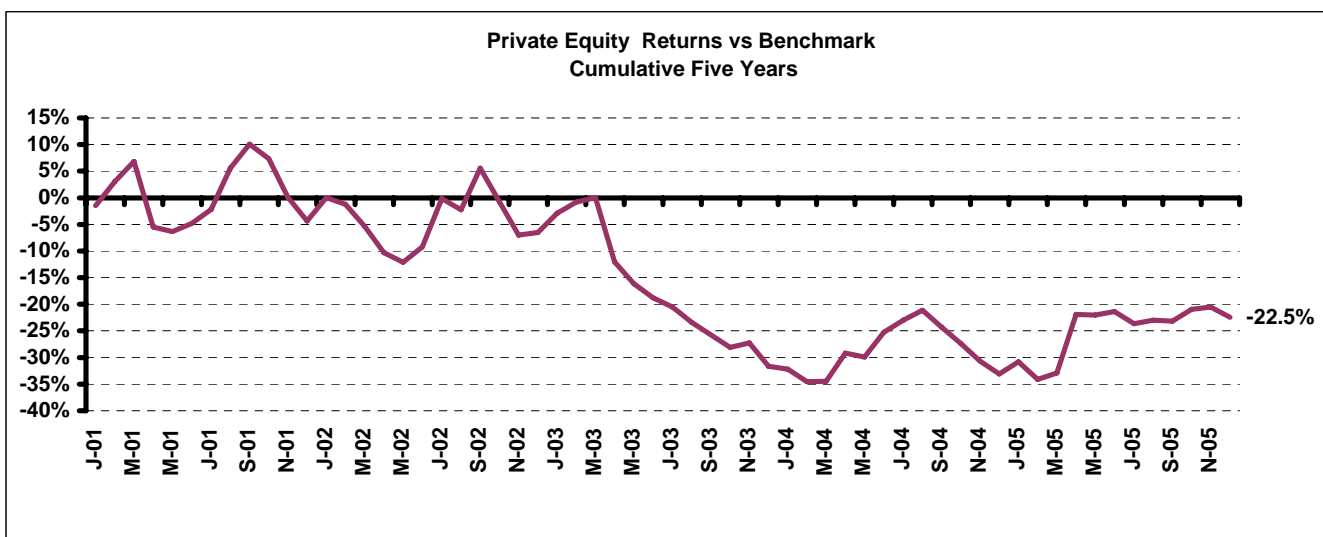
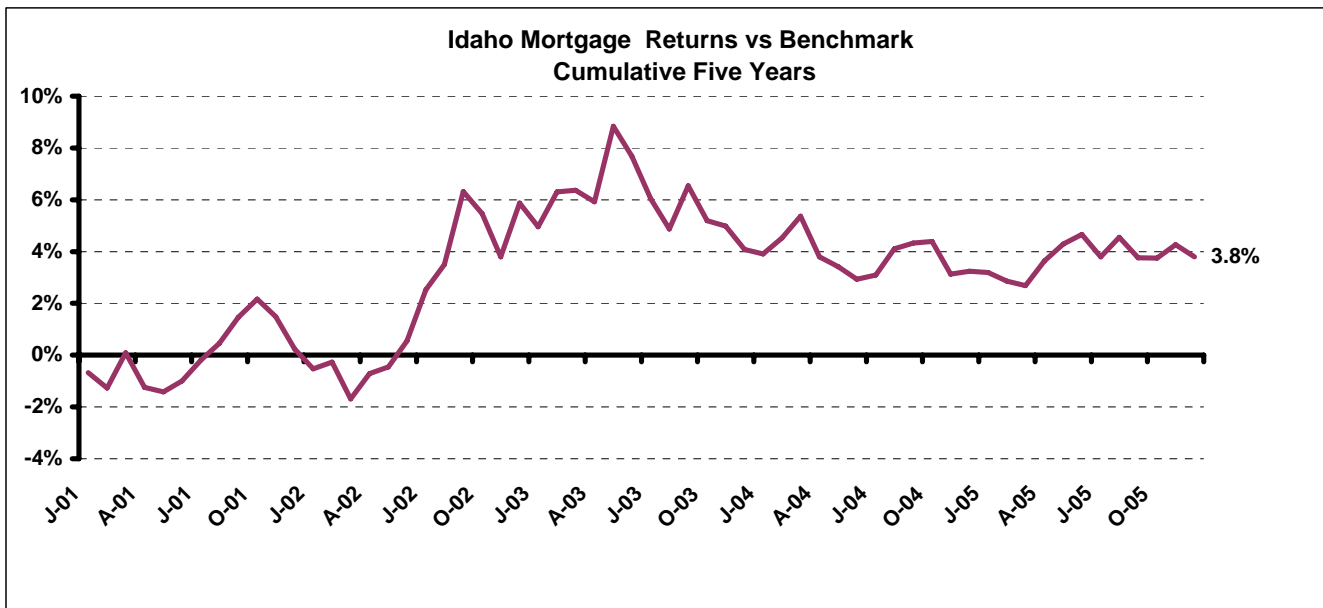


Barings Fixed Returns vs Benchmark
Cumulative Five Years

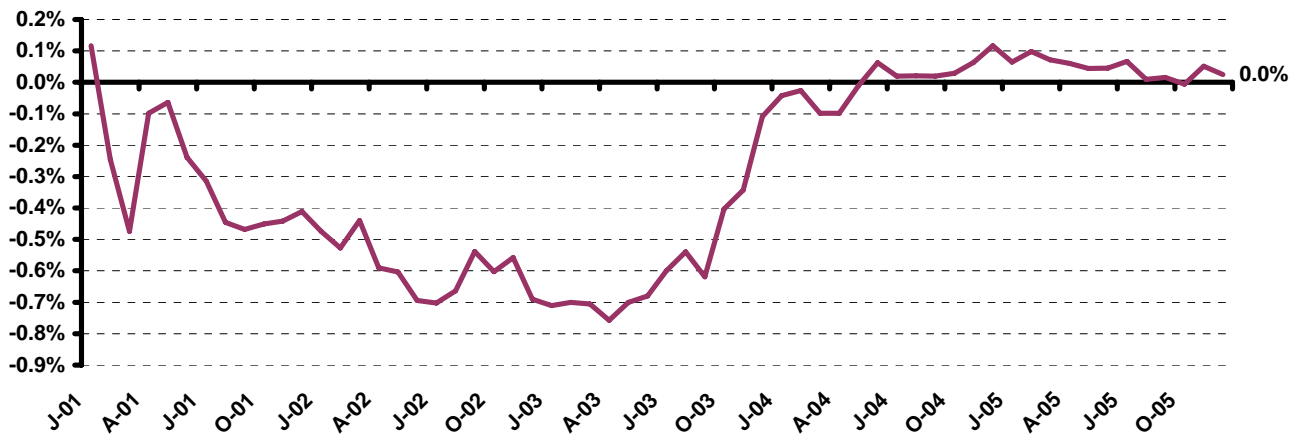


DBF MBS Returns vs Benchmark
Cumulative Five Years

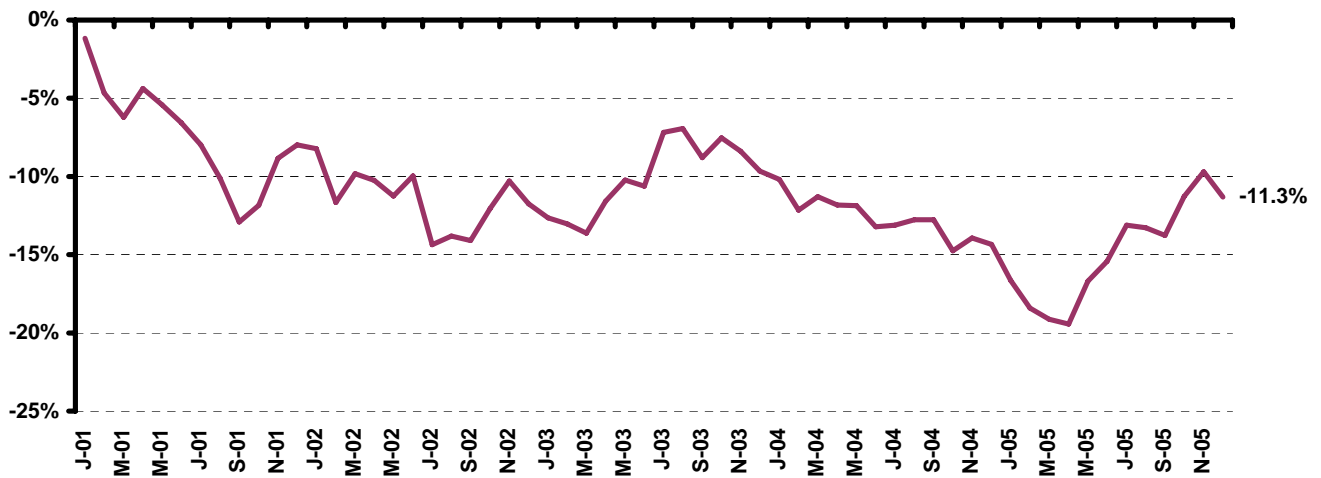




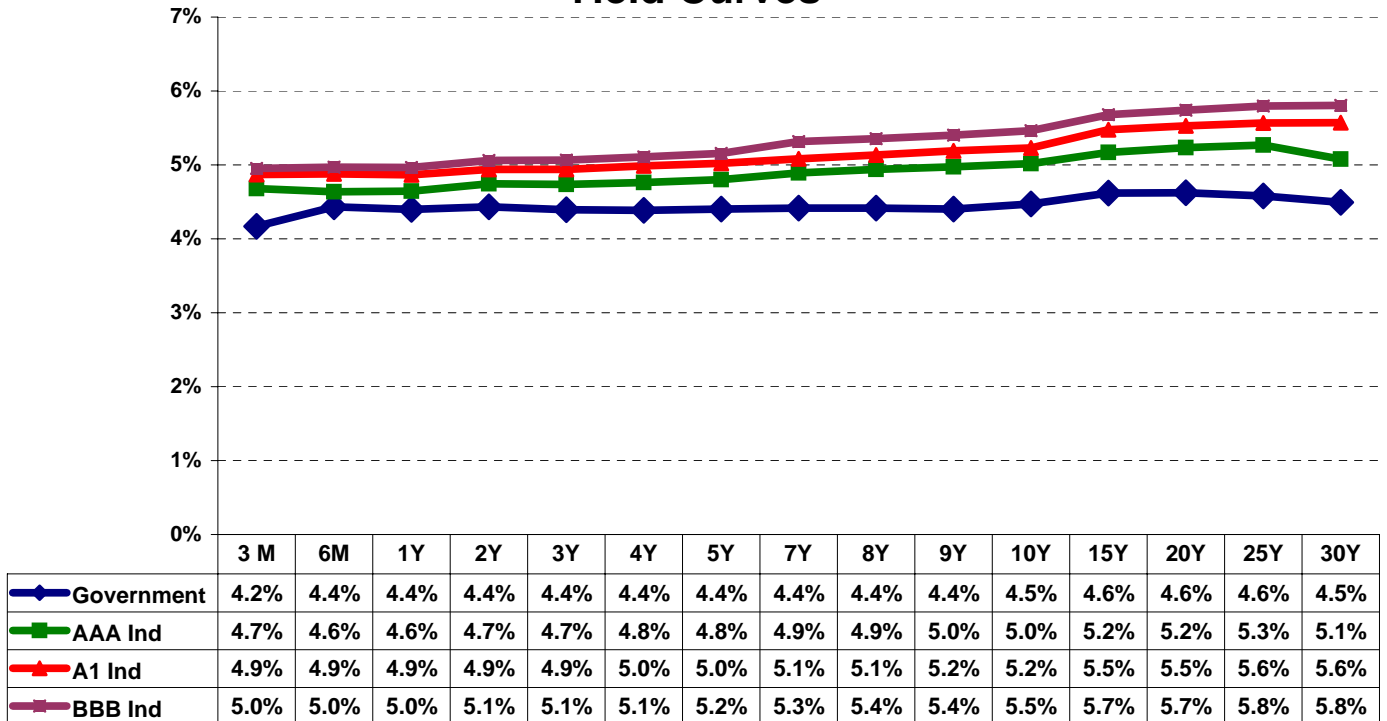
**Actual Allocation vs Asset Allocation
Cumulative Five Years**



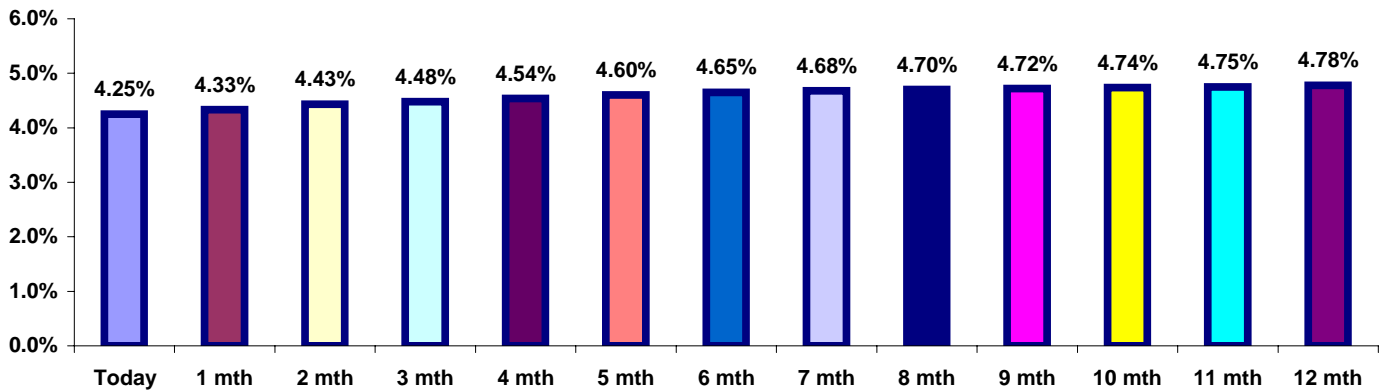
**Peregrine Returns vs Benchmark
Cumulative Five Years**



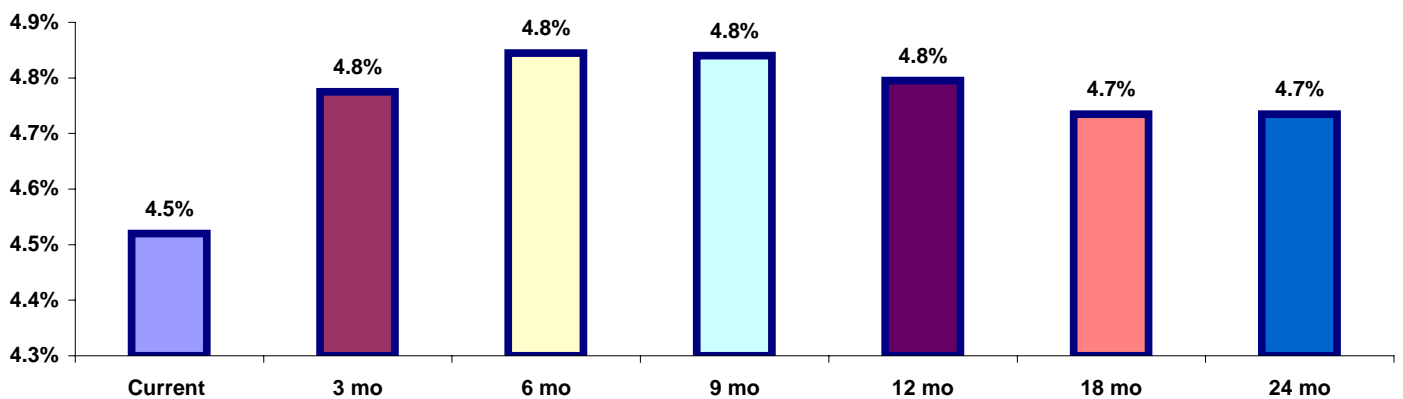
Yield Curves



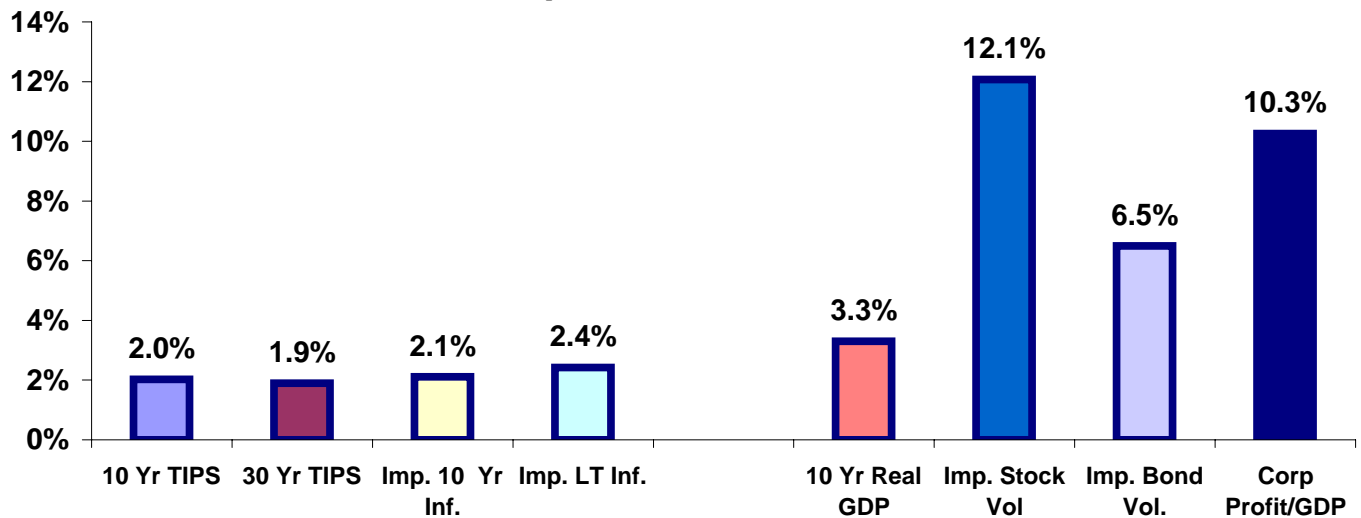
FED FUNDS FUTURES



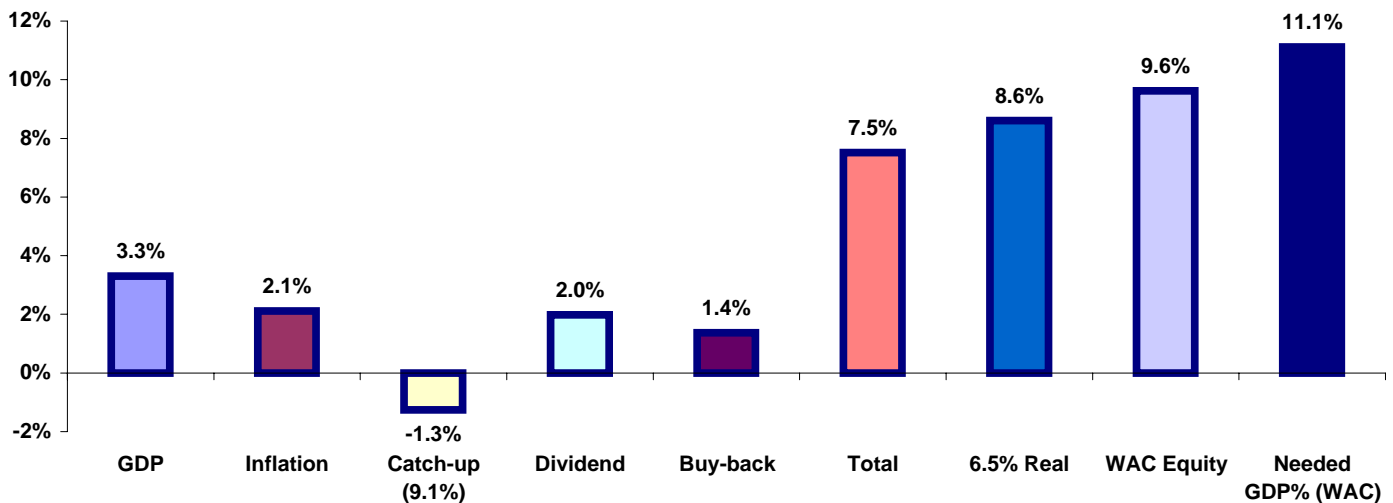
90 DAY EURO\$ FUTURES



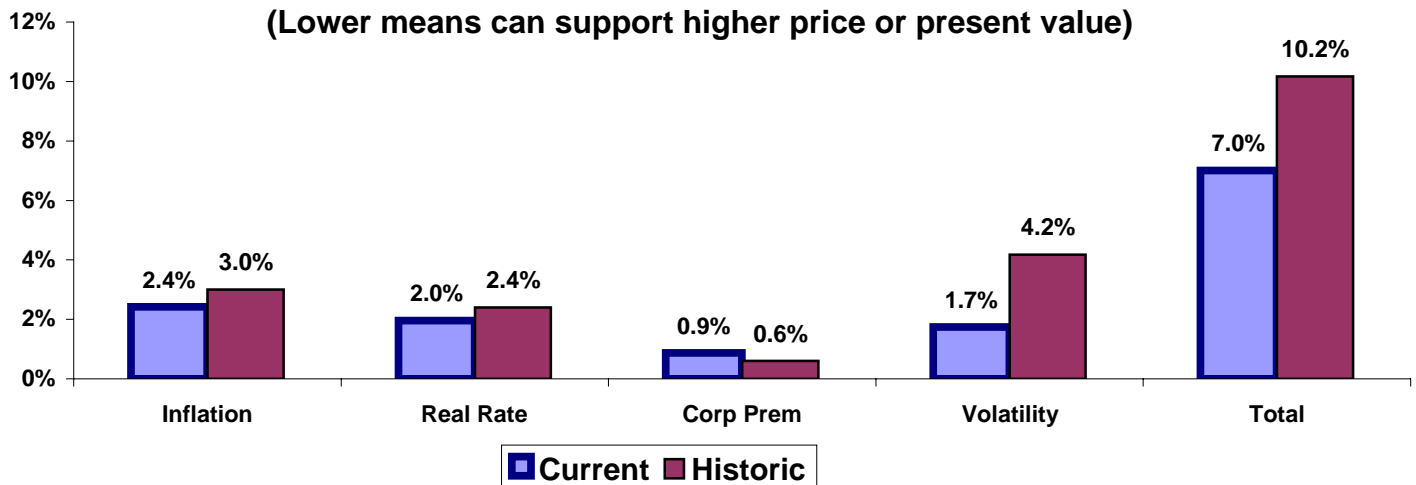
Real Yields, Implied Inflation and Misc. Data

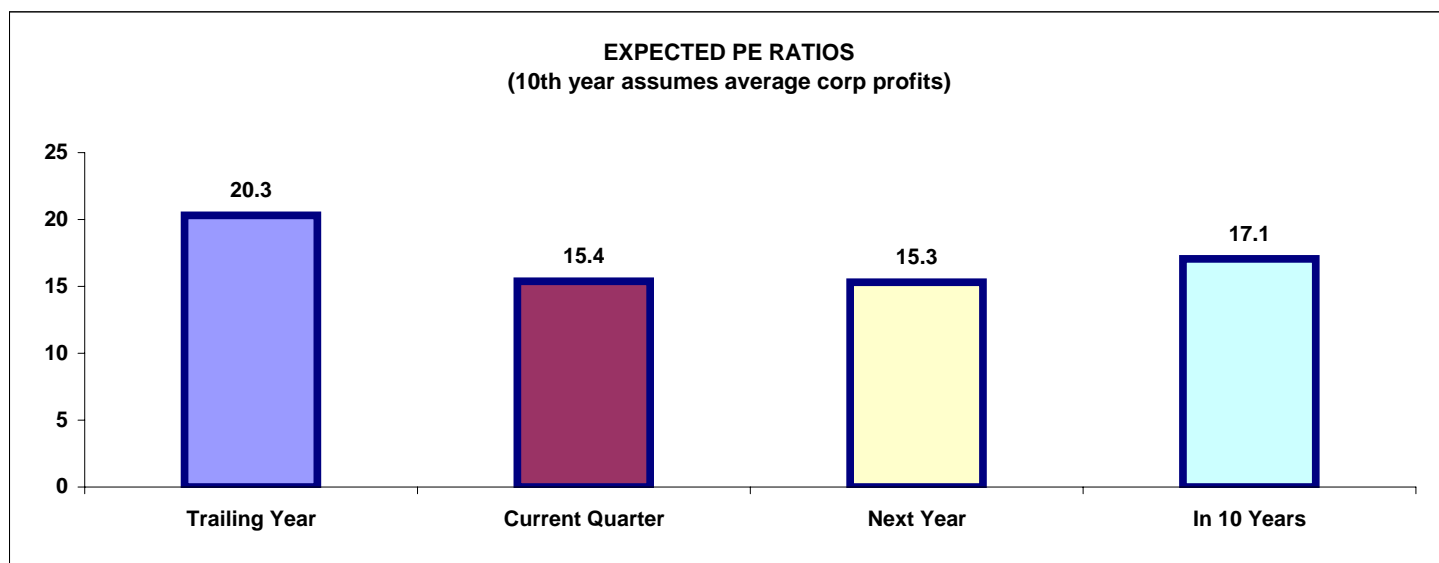
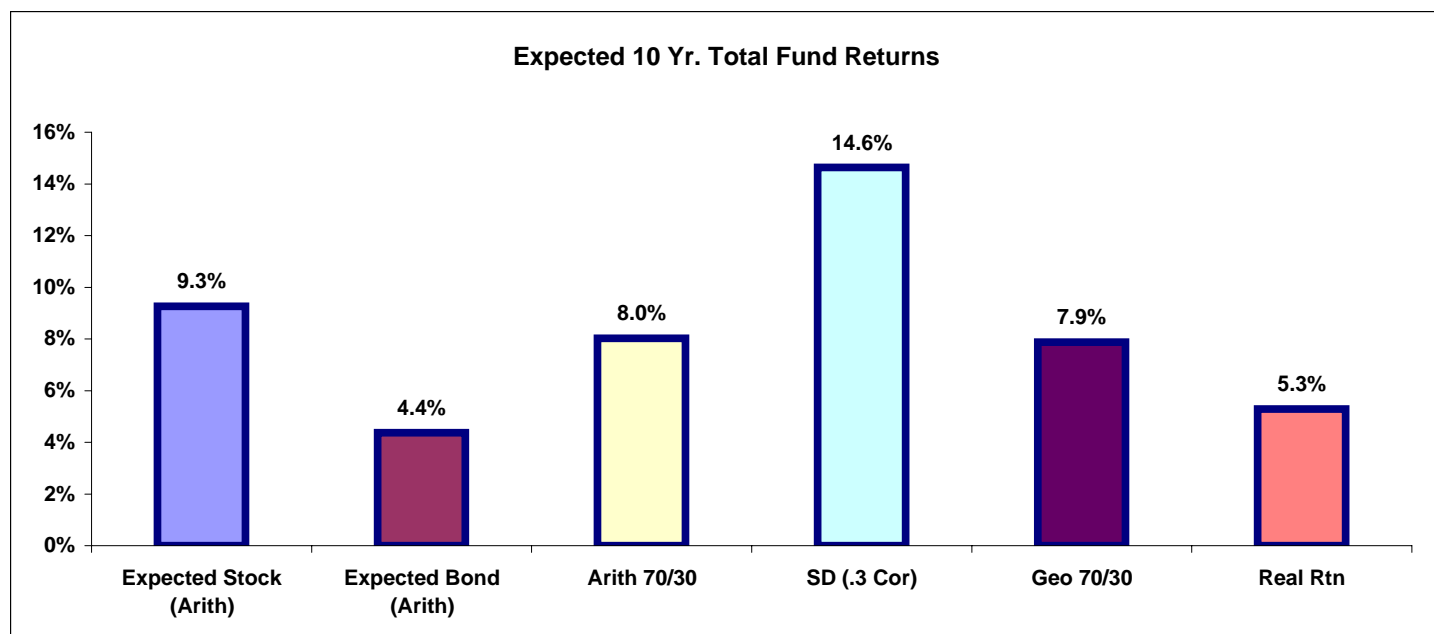
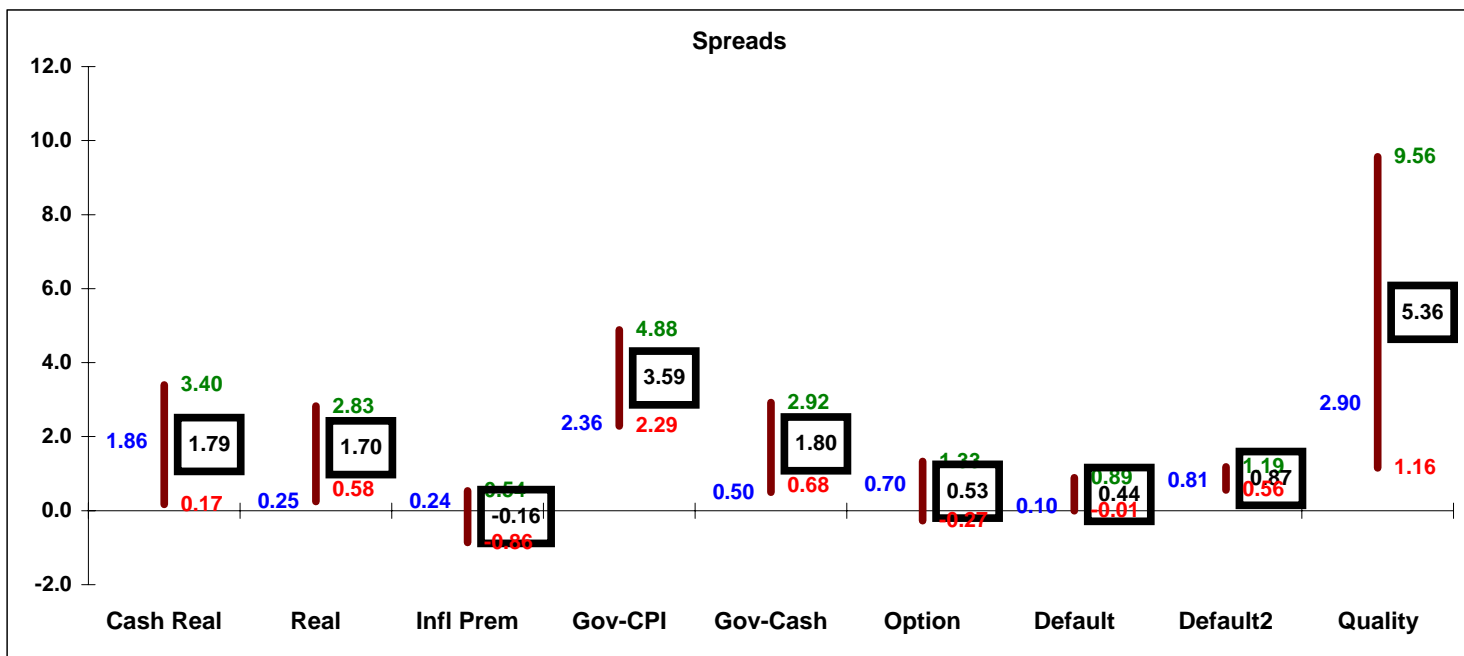


Expected 10 Year Stock Return and Sources (Current P/E remains the same)

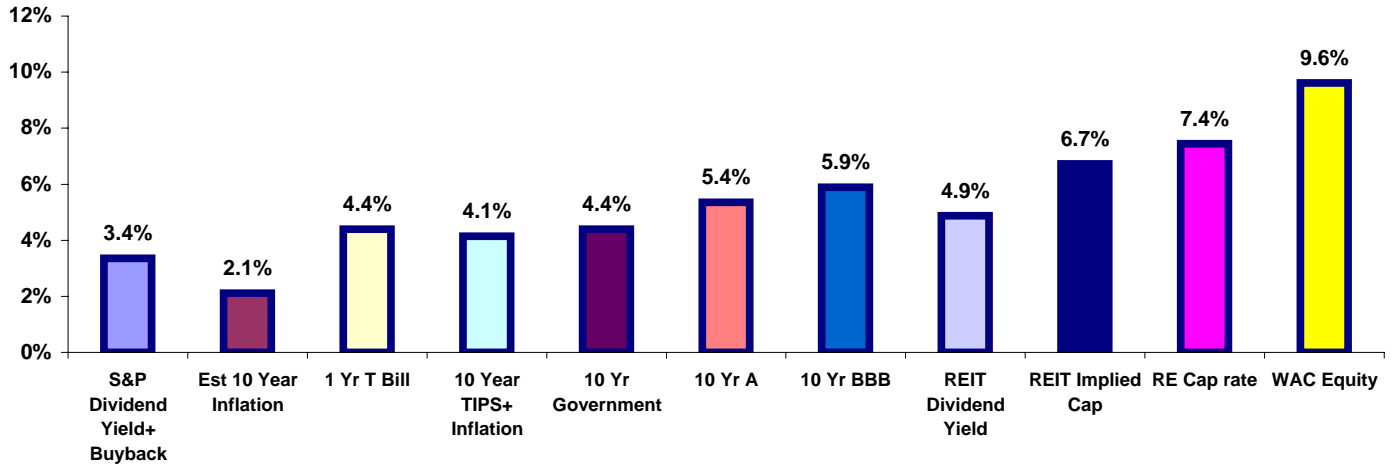


Needed Equity Discount Rate (k) (Lower means can support higher price or present value)

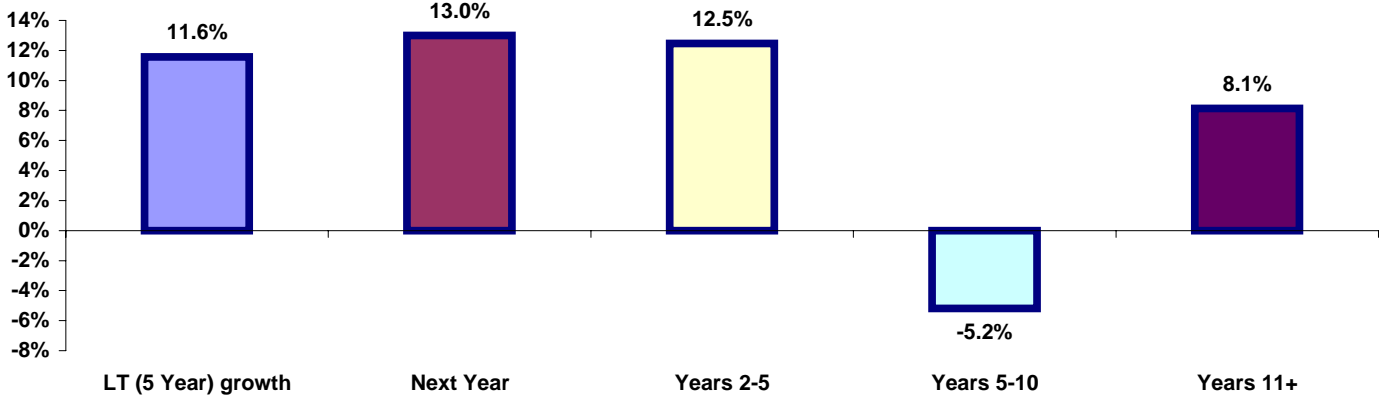




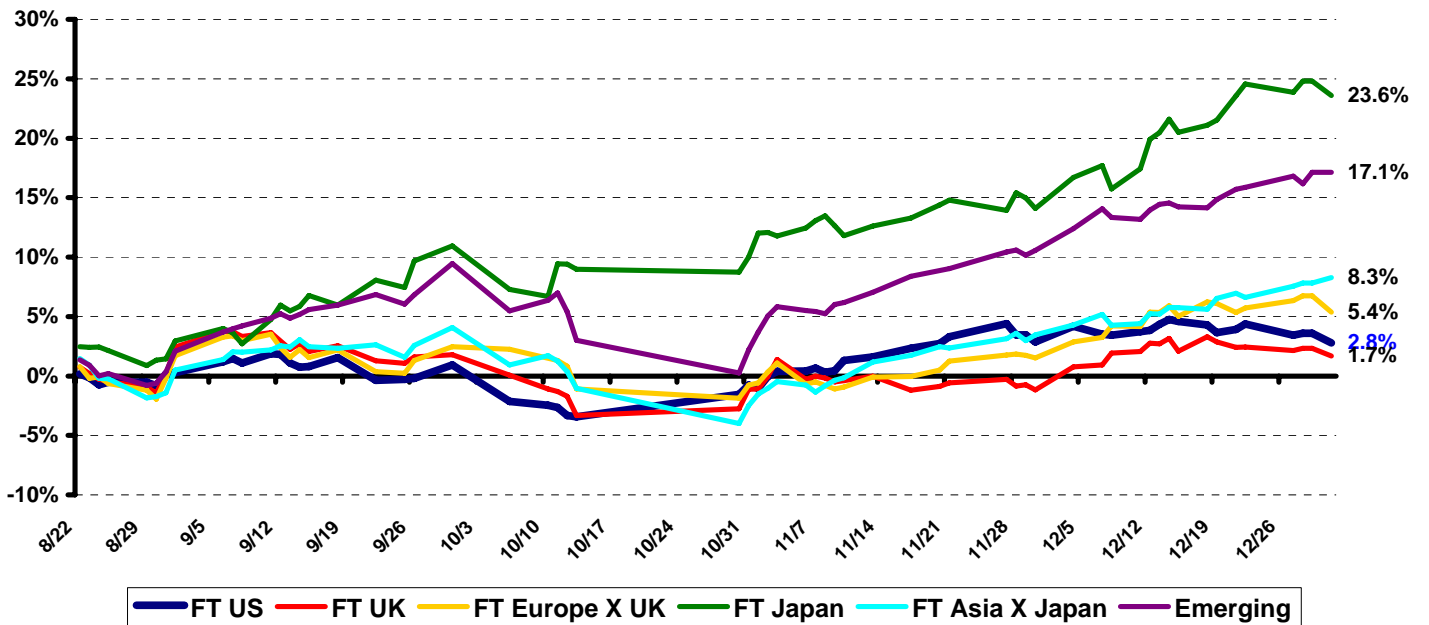
Capital Market Yields and Rates



Estimated S&P 500 Earnings Growth (5 years current estimates, 5-10 implied)



Short-Term Cumulative Returns



| | (billions) | % GDP | Range - Low | Average | High | 1 SD |
|----------------------------|--------------|-------|------------------|---------|--------------|-------|
| Current GDP (QoQ Annual) | \$ 12,605.70 | 4.1% | -7.9% (1980) | 3.4% | 16.3% (1978) | 3.70% |
| Corporate Profits | \$ 1,293.10 | 10.3% | 6.0% (1982) | 9.1% | 13.0% (1950) | 1.47% |
| After tax Profits | \$ 1,032.30 | 8.2% | 3.1% (1986) | 5.6% | 7.6% (1978) | |
| S&P Earnings (trailing Yr) | \$ 519.04 | 4.1% | | | | |
| S&P Earnings (current qtr) | \$ 662.21 | 5.3% | | | | |
| Wages and salaries | \$ 5,797.80 | 46.0% | 36.6% (1993) | 40.1% | 42.9% (1959) | 1.39% |
| WACC | 8.2% | | ROE on Book | 20.7% | | |
| WAC Equity | 9.6% | | Current P/E | 15.9 | | |
| WAC Debt | 3.3% | | Dividend Yield | 2.0% | | 2.0% |
| Debt to Capital | 25% | | Share Repurchase | 1.4% | | (SPX) |
| Price/EBITDA | 8.2 | | Payout ratio | 31.0% | | |
| Price/Book | 2.8 | | Trailing PE | 18.3 | | |

Fixed Income

| | | | | | |
|-------------------------|------|-----------|-------|----------------------|------|
| 10 Yr Government | 4.4% | Fed funds | | 90 Day Euro\$ Yields | |
| 10Y Volatility | 5.1% | Today | 4.25% | Current | 4.5% |
| 10 Yr TIPS | 2.0% | 1 mth | 4.33% | 3 mo | 4.8% |
| 10 Yr A Corporate | 5.4% | 2 mth | 4.43% | 6 mo | 4.8% |
| 10 Yr BBB Corporate | 5.9% | 3 mth | 4.48% | 9 mo | 4.8% |
| | | 4 mth | 4.54% | 12 mo | 4.8% |
| 20 Yr Government | 4.6% | 5 mth | 4.60% | 18 mo | 4.7% |
| 20 Yr AA Corporate | 5.5% | 6 mth | 4.65% | 24 mo | 4.7% |
| 30 Yr Government | 4.5% | 7 mth | 4.68% | | |
| 30 Yr A Corporate | 5.7% | 8 mth | 4.70% | | |
| 30 Yr TIPS | 1.9% | 9 mth | 4.72% | | |
| LT Bond Volatility | 7.9% | 10 mth | 4.74% | | |
| | | 11 mth | 4.75% | | |
| Implied Inflation LT | 2.4% | 12 mth | 4.78% | | |
| Implied 10 Yr Inflation | 2.1% | | | | |

Equity

| | P/E Ratio | EPS | Growth Estimates | | |
|-------------------------------|-----------|---------------|------------------------------|--------------|-----------------|
| Trailing Year | 20.3 | \$ 2.58 | LT (5 Year) growth | 11.6% | |
| Current Quarter | 15.4 | \$ 3.11 | Next Year | 13.0% | 13.0% |
| Next Quarter | 15.2 | \$ 3.15 | Years 2-5 | 12.5% | 12.5% |
| This Year | 15.9 | \$ 2.97 | Years 5-10 | -5.2% | -1.1% |
| Next Year | 15.3 | \$ 3.36 | Years 11+ | 8.1% | 8.1% |
| Dividend Yield | 2.0% | | From Nom GDP | 6.1% | 6.1% |
| Share repurchase Yield | 1.4% | | From Share Repurchase | 2.0% | 2.0% |
| Payout ratio (Bloomberg) | 31% | | | | |
| LT (5 Year) growth | 11.6% | \$ 5.38 | Implied % of GDP at 5th Year | Gross 15.1% | After Tax 12.0% |
| Net Profit | | Gross Profits | RE Cap Rate | 7.4% | |
| Needed return | 8.6% | 8.6% | REIT cap Ra | 6.7% | |
| Begin P/E (next year) | 15.3 | 15.3 | REIT Div | 4.9% | |
| Earnings Yield | 6.5% | 6.5% | 10 Yr Rtns | | |
| Begin Div Yield | 2.0% | 2.0% | Exp. 10 Yr Geo Rtn | Current 8.6% | Historic 8.6% |
| Likely 10 Yr earnings growth | 3.3% | 5.5% | Volatility (VIX) | 12.1% | 21.0% |
| Allowable end P/E (11th Yr) | 22.4 | 17.1 | Exp 10 Yr. Arith Rtn | 9.3% | 10.6% |
| Current Price Book | 2.8 | 2.8 | Exp. 10 Yr Bond Rtn | 4.4% | 4.4% |
| Imp Next Year ROE on Book | 18.4% | 18.4% | 10 Yr Bnd Volatility | 5.1% | 6.0% |
| | | | 70-30 return | 8.0% | 8.8% |
| Implied Future Earnings Yield | 4.5% | 5.9% | 70-30 SD (.3 Cor) | 9.0% | 14.6% |
| Implied Dividend | 1.4% | 1.8% | 70-30 Geo Rtn | 7.7% | 7.9% |
| LT Return (6.5% + Inf) | 9.5% | 8.9% | Real return | 5.1% | 5.3% |
| Assumed LT Real GDP | 3.1% | 3.0% | | | |
| Implied ending Price/Book | 2.6 | 1.8 | Assumed 10 yr Real GDP | 3.3% | |
| Implied ROE on Book | 11.8% | 10.3% | | | |

FACTORS

Recovery Continues at Moderate Pace

| | | | | | | |
|--|-------|------|--------|--------------|---------|--------------|
| GDP Real Growth QOQ (annualized) | 4.10% | | | | | |
| | MOM | YOY | Apr-02 | | | |
| Leading Economic Indicators (% change) | 0.5% | 2.1% | -19.5% | High | Average | Low |
| ISM Manufacturing | 58.1 | | 53.9 | 57.5 (12/99) | 51.5 | 43.2 (3/01) |
| ISM Non-manufacturing | 58.5 | | 55.3 | 62.1 (10/97) | 56.3 | 40.5 (10/01) |

Inflation Stays Under Control

| | |
|----------------------------|-------|
| Inflation QOQ (annualized) | 3.30% |
|----------------------------|-------|

Consumer Spending Remains Healthy

| | | | | | | |
|-------------------------------------|-------|--------|--|--------------|------|--------------|
| Consumer Spending QOQ (annualized) | 4.10% | | | | | |
| Real Consumer Spending (annualized) | 0.80% | Apr-02 | | High | Avg | Low |
| University of Michigan Survey | 91.5 | 93 | | 107.3 (6/99) | 92.6 | 65.5 (12/90) |

Tech and Telecom Do Not Drive Recovery

| | |
|-------------------------------|-------|
| S&P 1500 since 4/30/02 | 18.3% |
| NASDAQ 100 since 4/30/02 | 28.8% |
| NASDAQ Telecom since 4/30/02 | 31.5% |
| NASDAQ Computer since 4/30/02 | 24.9% |

Emerging Markets strong, Japan weak, Europe moderate

| | |
|--------------------------------|---------|
| EAFE returns since 4/30/02 | 44.75% |
| Europe | 54.71% |
| Asia | 74.29% |
| Japan since 4/30/02 | 67.74% |
| Emerging Markets since 4/30/02 | 100.23% |

Corporate Spreads Narrow

| | | | | |
|--------------------------------------|--------|-------------|---------|---------------|
| | Spread | High | Average | Low |
| 10 Year A over Government on 4/30/02 | 1.60% | 2.18% (1/01 | 1.31% | 0.67% (8/97) |
| Current 10 Year A over Government | 0.97% | | | |
| | | High | Average | Low |
| 30 Year A over Government on 4/30/02 | 1.88% | 3.33% (10/8 | 1.49% | 0.64% (5/84) |
| Current 30 Yr A over Government | 1.20% | | | |
| | | High | Average | Low |
| 10 Year BBB over A on 4/30/02 | 0.80% | 1.13% (1/02 | 0.57% | 0.16% (11/97) |
| Current 10 Year BBB over A | 0.53% | | | |

Fed Policy Expected to be Benign

| | | |
|---|---------|----------------|
| | Current | Expected Level |
| Expected 12 month tightening on 4/30/02 | 0.75% | 1.75% |
| Current expected 12 month tightening | 0.53% | 4.78% |

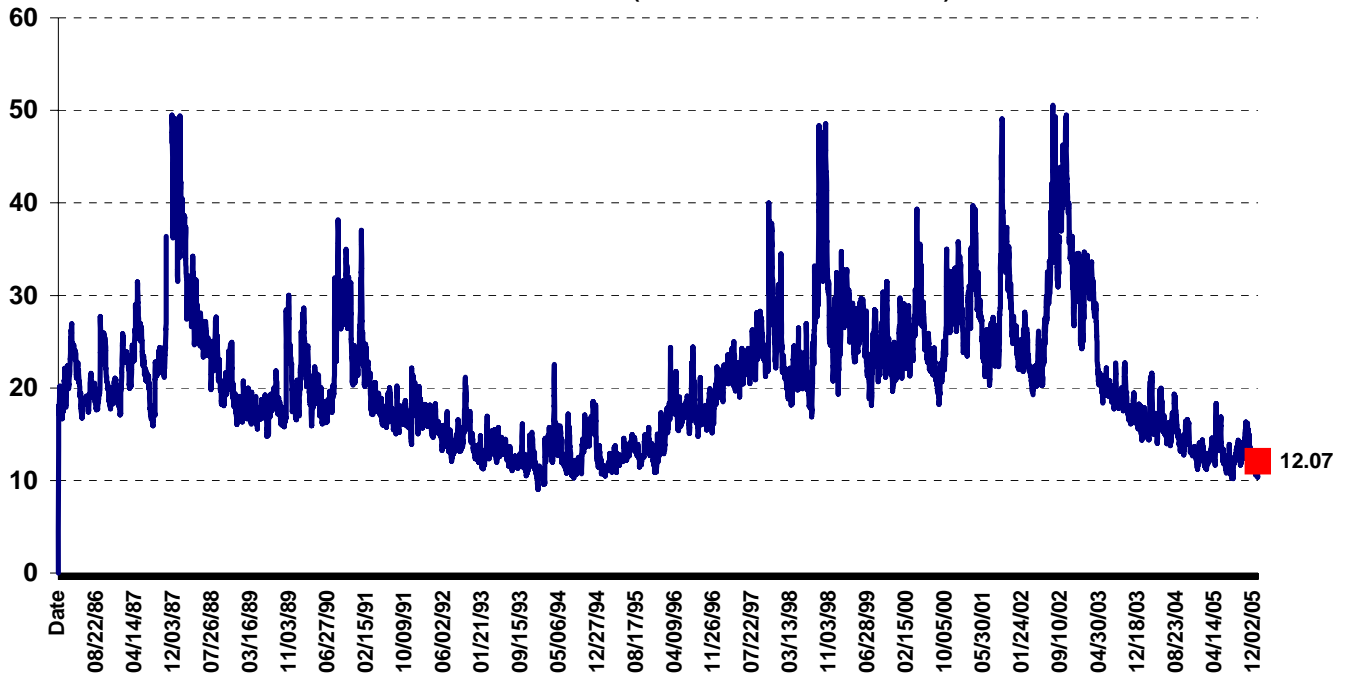
US \$ Moderate Weakness against Euro and Pound

| | |
|-----------------------------------|----------------|
| | \$ vs currency |
| Japan (\$ % change since 4/30/02) | 117.8 -8.3% |
| UK | 1.72 -15.3% |
| Euro | 1.18 -23.8% |

US Productivity Continues at 2% - 2.5% or above

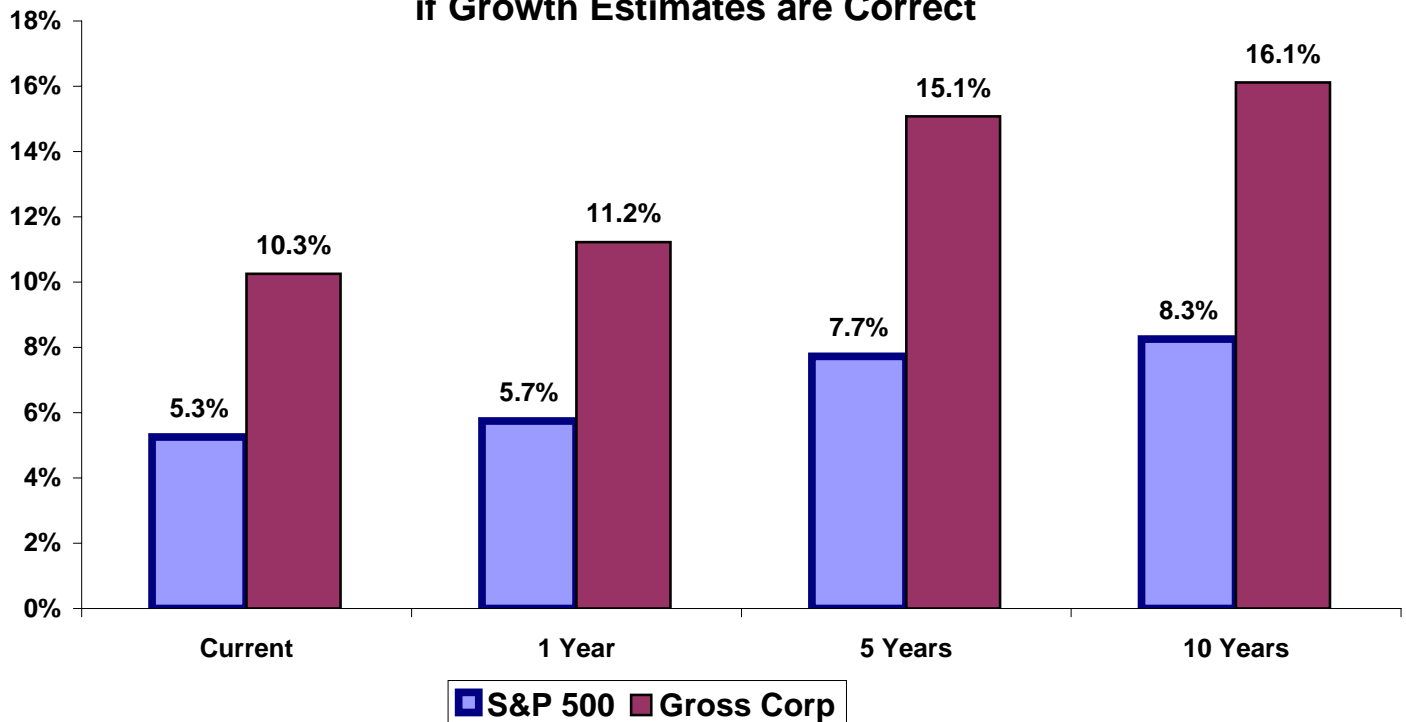
| | | | | |
|-----------------------------------|------|-------------|---------|--------------|
| | | High | Average | Low |
| Nonfarm Productivity Increase QOQ | 4.7% | 9.9% (6/83) | 1.7% | -5.0% (3/93) |
| Nonfarm Productivity Increase YOY | 3.1% | 5.3% (9/83) | 1.6% | -2.2% (3/82) |

VIX (Stock Volatility) Index 1981-2005 (Late October 1987 Excluded)



| | w/o 10/87 | With 10/87 |
|--------------------|-----------|------------|
| Average Volatility | 21.3 | 21.6 |
| St. Deviation | 7.1 | 8.3 |
| Minimum | 9.1 | 9.1 |
| Maximum | 50.1 | 150 |

Future Levels of Corp Profits and SP500 Earnings as % of GDP if Growth Estimates are Correct



PERSI RETURNS

November 30, 2005

| | Month Ending | Quarter Ending | Fiscal Year Ending | Cal Year Ending | 1 Year Ending | 2 Years Ending | 3 Years Ending | 4 Years Ending | 5 Years Ending | 7 Years Ending | 10 Years Ending |
|--------------------------------|-----------------|-------------------|--------------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| TOTAL ACCOUNT | 3.0% | 2.7% | 6.0% | 7.1% | 10.6% | 12.2% | 13.9% | 8.6% | 5.7% | 6.8% | 9.3% |
| 55-15-30 Policy (No Rebalance) | 2.6% | 1.7% | 4.5% | 5.1% | 8.2% | 10.2% | 11.8% | 6.2% | 3.6% | 4.4% | 7.9% |
| US EQUITY | 4.2% | 3.6% | 7.2% | 7.8% | 11.4% | 13.2% | 14.5% | 6.8% | 3.1% | 5.1% | 9.7% |
| R3000 | 3.9% | 2.8% | 6.0% | 6.0% | 9.8% | 11.4% | 13.6% | 5.5% | 1.9% | 3.7% | 9.4% |
| GLOBAL EQUITY | 3.6% | 4.7% | 10.4% | 9.0% | 13.8% | 14.7% | 19.3% | 10.6% | 6.2% | 9.3% | 11.5% |
| MSCI World | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |
| INTERNATIONAL | 4.8% | 6.6% | 12.9% | 14.4% | 19.8% | 21.7% | 22.6% | 13.6% | 6.4% | 7.5% | 8.2% |
| MSCI EAFE | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| FIXED INCOME | 0.0% | -1.7% | -1.4% | 1.3% | 2.7% | 4.2% | 5.3% | 6.1% | 7.1% | 6.3% | 7.1% |
| Lehman Aggregate | 0.4% | -1.4% | -1.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| US EQUITY | | | | | | | | | | | |
| Mellon R3000 Index | 3.9% | 2.9% | 6.1% | 5.8% | 9.6% | 11.5% | 13.6% | 5.4% | 1.8% | 3.7% | 9.2% |
| Russell 3000 | 3.9% | 2.8% | 6.0% | 6.0% | 9.8% | 11.4% | 13.6% | 5.5% | 1.9% | 3.7% | 9.4% |
| Tukman | 3.0% | 4.0% | 5.2% | -1.5% | 0.3% | 3.3% | 5.9% | 1.6% | 1.4% | 3.8% | |
| S&P 500 | 3.8% | 2.9% | 5.3% | 4.9% | 8.5% | 10.6% | 12.1% | 4.1% | 0.6% | 2.6% | 9.3% |
| Peregrine | 5.4% | 6.7% | 12.7% | 9.2% | 12.5% | | | | | | |
| S&P 500 Growth | 3.8% | 2.8% | 5.7% | 4.2% | 7.9% | 7.4% | 9.1% | 1.6% | -2.4% | 0.0% | 8.5% |
| Mountain Pacific | 5.5% | 4.0% | 6.0% | 5.3% | 7.9% | 12.7% | 15.4% | 8.8% | 9.3% | 8.8% | 12.6% |
| S&P 400 | 4.9% | 3.4% | 7.4% | 11.8% | 16.5% | 15.1% | 19.2% | 12.2% | 10.1% | 12.4% | 14.2% |
| TCW Domestic | 7.2% | 0.6% | 6.8% | 7.0% | 10.8% | | | | | | |
| S&P 400 | 4.9% | 3.4% | 7.4% | 11.8% | 16.5% | 15.1% | 19.2% | 12.2% | 10.1% | 12.4% | 14.2% |
| Donald Smith | 4.2% | 3.7% | 9.1% | 5.6% | 11.2% | | | | | | |
| R3000 | 3.9% | 2.8% | 6.0% | 6.0% | 9.8% | 11.4% | 13.6% | 5.5% | 1.9% | 3.7% | 9.4% |

GLOBAL EQUITY

| | Month Ending | Quarter Ending | Fiscal Year | Cal Year Ending | 1 Year Ending | 2 Years Ending | 3 Years Ending | 4 Years Ending | 5 Years Ending | 7 Years Ending | 10 Years Ending |
|-------------------|-----------------|-------------------|----------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Barings Global | 4.3% | 5.7% | 10.1% | 7.6% | 11.0% | 13.2% | 14.8% | 7.5% | 0.0% | 1.9% | 6.8% |
| <i>MSCI World</i> | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |
| Bernstein Global | 4.2% | 4.6% | 10.5% | 12.1% | 16.3% | | | | | | |
| <i>MSCI World</i> | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |
| Brandes | 0.9% | 2.6% | 7.0% | 5.1% | 10.2% | 16.3% | 20.6% | 11.0% | 9.6% | 12.9% | |
| <i>MSCI World</i> | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |
| Capital Guardian | 4.0% | 3.7% | 9.5% | 7.8% | 12.2% | 13.0% | 16.2% | | | | |
| <i>MSCI World</i> | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |
| Zesiger | 6.3% | 8.0% | 16.3% | 15.2% | 21.4% | 13.7% | 25.0% | 16.3% | 10.1% | 15.8% | |
| <i>MSCI World</i> | 3.4% | 3.5% | 7.6% | 7.6% | 11.8% | 14.8% | 16.4% | 7.7% | 2.5% | 3.5% | 7.5% |

INTERNATIONAL EQUITY

| | | | | | | | | | | | |
|--------------------------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| MCM EAFE Index | 2.6% | 4.0% | 9.9% | 8.4% | 13.1% | 18.2% | 20.3% | 11.2% | 4.4% | 4.3% | 6.8% |
| <i>MSCI EAFE</i> | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| Mondrian | 2.3% | 2.8% | 7.7% | 9.6% | 14.7% | | | | | | |
| <i>MSCI EAFE</i> | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| Rowe Price | 3.7% | 6.0% | 13.1% | 11.6% | 16.4% | 17.0% | 17.8% | 9.9% | 3.5% | 4.3% | 6.6% |
| <i>MSCI EAFE</i> | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| Genesis Emg. | 7.2% | 10.5% | 17.8% | 28.8% | 35.3% | 35.0% | 38.9% | 29.9% | 25.1% | 18.7% | |
| <i>MSCI Emerging Mkt</i> | 8.3% | 10.6% | 19.2% | 27.0% | 33.1% | 31.0% | 34.2% | 26.2% | 18.6% | 14.7% | 6.8% |
| Bernstein Emg. | 7.2% | 7.4% | 17.8% | 22.1% | 31.0% | | | | | | |
| <i>MSCI Emerging Mkt</i> | 8.3% | 10.6% | 19.2% | 27.0% | 33.1% | 31.0% | 34.2% | 26.2% | 18.6% | 14.7% | 6.8% |
| PERSI Emerging Mkt | 7.2% | 8.9% | 17.7% | 25.6% | 33.2% | 34.8% | 37.6% | 28.7% | 21.9% | 16.4% | 0.0% |
| <i>MSCI Emerging Mkt</i> | 8.3% | 10.6% | 19.2% | 27.0% | 33.1% | 31.0% | 34.2% | 26.2% | 18.6% | 14.7% | 6.8% |

FIXED INCOME

| | Month Ending | Quarter Ending | Fiscal Year | Cal Year Ending | 1 Year Ending | 2 Years Ending | 3 Years Ending | 4 Years Ending | 5 Years Ending | 7 Years Ending | 10 Years Ending |
|--------------------|-----------------|-------------------|----------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| State Street Index | 0.5% | -1.7% | -1.3% | 1.4% | 2.6% | 3.3% | 4.3% | 5.0% | 6.2% | 5.5% | 6.2% |
| Lehman Gov/Credit | 0.5% | -1.7% | -1.4% | 1.4% | 2.5% | 3.3% | 4.3% | 5.1% | 6.3% | 5.6% | 6.2% |
| Barings | 0.4% | -1.1% | -0.5% | 2.0% | 2.8% | 4.3% | 5.3% | 5.6% | 6.7% | 5.7% | 7.8% |
| Lehman Aggregate | 0.4% | -1.4% | -1.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| Fidelity | 0.5% | -1.0% | -0.5% | 1.5% | | | | | | | |
| Lehman Aggregate | 0.4% | -1.4% | 0.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| Western | -0.1% | -2.1% | -1.2% | 1.3% | 1.3% | | | | | | |
| Lehman Aggregate | 0.4% | -1.4% | 0.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| Clearwater MBS | 0.5% | -1.0% | -0.5% | 1.7% | 2.3% | 3.8% | 3.7% | | | | |
| Lehman Mortgage | 0.3% | -0.9% | -0.5% | 1.6% | 2.3% | 3.7% | 3.5% | 4.4% | 5.6% | 5.6% | 6.2% |
| DBF MBS | 0.3% | -1.0% | -0.4% | 1.4% | 2.0% | 3.3% | 3.1% | 4.3% | 5.5% | 5.5% | 6.3% |
| Lehman Mortgage | 0.3% | -0.9% | -0.5% | 1.6% | 2.3% | 3.7% | 3.5% | 4.4% | 5.6% | 5.6% | 6.2% |
| Idaho Mortgages | 0.7% | -1.2% | -0.9% | 2.6% | 3.4% | 3.3% | 3.6% | 5.0% | 6.7% | 6.2% | 6.9% |
| Lehman Mortgage | 0.3% | -0.9% | -0.5% | 1.6% | 2.3% | 3.7% | 3.5% | 4.4% | 5.6% | 5.6% | 6.2% |
| TIPS | -1.0% | -2.7% | -2.8% | 0.5% | 3.4% | 5.8% | 7.9% | 8.9% | 9.2% | | |
| Lehman TIPS | 0.2% | -1.2% | -1.1% | 1.6% | 3.4% | 5.5% | 7.3% | 8.3% | 8.7% | 8.1% | |
| Bridgewater | -1.3% | -2.1% | -2.6% | -0.2% | 0.8% | | | | | | |
| Lehman TIPS | 0.2% | -1.2% | 0.0% | 1.6% | 3.4% | 5.5% | 7.3% | 8.3% | 8.7% | 8.1% | |

REAL ESTATE

| | | | | | | | | | | | |
|-------------------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| PERSI Real Estate | 4.1% | 4.3% | 7.7% | 13.6% | 19.0% | 24.6% | 26.5% | 22.2% | 20.8% | 19.2% | 17.4% |
| NCREIF | 1.5% | 4.7% | 5.0% | 17.5% | 18.8% | 15.3% | 12.7% | 10.9% | 10.8% | 11.2% | 11.5% |
| Adelante | 5.3% | 4.7% | 8.2% | 14.5% | 21.1% | 27.8% | 29.9% | 24.5% | 23.0% | 22.1% | 18.4% |
| Wilshire REIT | 4.6% | 2.8% | 5.3% | 13.9% | 19.8% | 25.0% | 27.9% | 21.7% | 20.8% | 17.1% | 16.1% |
| Koll | | 0.7% | 0.9% | 2.5% | 2.5% | 3.7% | | | | | |
| NCREIF | 1.5% | 4.7% | 5.0% | 17.5% | 18.8% | 15.3% | 12.7% | 10.9% | 10.8% | 11.2% | 11.5% |
| Prudential | | 5.6% | 12.0% | 20.1% | 20.1% | 16.7% | 14.8% | 14.4% | 12.3% | 12.3% | 13.2% |
| NCREIF | 1.5% | 4.7% | 5.0% | 17.5% | 18.8% | 15.3% | 12.7% | 10.9% | 10.8% | 11.2% | 11.5% |

PRIVATE EQUITY

| | Month Ending | Quarter Ending | Fiscal Year Ending | Cal Year Ending | 1 Year Ending | 2 Years Ending | 3 Years Ending | 4 Years Ending | 5 Years Ending | 7 Years Ending | 10 Years Ending |
|----------------------|-----------------|-------------------|--------------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| PERSI Private Equity | 3.0% | 7.1% | 11.0% | 30.1% | 31.4% | 25.7% | 16.4% | 7.3% | 1.3% | 3.2% | 4.6% |
| R3000 | 3.9% | 2.8% | 6.0% | 6.0% | 9.8% | 11.4% | 13.6% | 5.5% | 1.9% | 3.7% | 9.4% |
| IdaWest | | | | 16.5% | 16.5% | 37.3% | 23.5% | 28.0% | 44.4% | 28.2% | |
| Galen | | 2.6% | 2.2% | 3.6% | 3.6% | 7.7% | 4.3% | 2.0% | 1.5% | 2.7% | |
| Furman Selz | | 14.0% | 13.8% | 11.9% | 11.9% | 85.3% | 47.4% | 30.4% | 21.2% | 17.6% | |
| Harvest Ptnrs | -8.1% | -16.6% | -17.0% | -5.5% | -5.5% | 5.0% | -7.0% | -14.9% | -3.1% | -1.2% | |
| Kohlberg & Co. | -5.8% | -5.8% | -4.9% | -76.6% | -76.6% | | | | | | |
| Providence | 3.6% | 26.0% | 33.8% | 67.8% | 87.9% | 103.1% | 72.7% | 41.5% | 9.1% | | |
| Chisolm | 7.0% | 13.6% | 11.4% | 22.6% | 22.6% | 8.1% | 0.6% | -4.6% | -13.1% | | |
| Littlejohn | | -2.2% | 1.1% | 177.3% | 177.3% | 62.5% | 18.8% | 12.3% | 8.8% | | |
| Oaktree | | -1.3% | -4.2% | -3.1% | -3.1% | 20.7% | 17.2% | 9.6% | 7.0% | | |
| Goense Bounds | | 0.8% | 7.4% | 4.2% | 4.2% | -15.0% | 86.5% | 47.4% | 36.3% | | |
| Zesiger | 1.1% | -6.6% | 3.5% | 9.1% | 1.2% | -0.4% | -8.5% | -12.2% | -16.0% | | |
| Highway 12 | | -1.1% | -8.4% | -9.8% | -9.8% | -5.0% | -16.8% | -12.9% | | | |
| T3 Partners | 19.8% | 19.8% | 34.0% | 70.2% | 71.1% | 19.0% | 69.2% | 335.1% | | | |
| Apollo | 0.0% | 33.6% | 33.6% | 114.3% | 127.8% | 63.4% | 55.9% | 39.2% | | | |
| Thomas Lee | | 15.8% | 15.5% | 44.9% | 44.9% | 27.2% | 15.5% | 5.7% | | | |
| Green Equity | -2.9% | -8.8% | -8.8% | 43.8% | 43.8% | -19.2% | | | | | |
| Gores | | -2.6% | -2.6% | -11.8% | -13.6% | | | | | | |
| W Capital | | -0.5% | -4.8% | 2.1% | 9.8% | | | | | | |
| Frazier | -2.4% | 2.5% | -1.3% | -9.3% | -9.3% | | | | | | |

DEFINED CONTRIBUTION PLAN

| | Month Ending | Quarter Ending | Fiscal Year Ending | Cal Year Ending | 1 Year Ending | 2 Years Ending | 3 Years Ending | 4 Years Ending | 5 Years Ending | 7 Years Ending | 10 Years Ending |
|----------------------------------|-----------------|-------------------|--------------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| MCM Wilshire 5000 | 4.0% | 3.0% | 6.3% | 6.2% | 10.0% | 11.8% | 14.0% | 6.1% | | | |
| <i>Wilshire 5000</i> | 4.0% | 2.9% | 6.2% | 6.2% | 10.1% | 11.8% | 14.2% | 6.1% | 2.5% | 3.8% | 9.3% |
| MCM S&P500 | 3.8% | 2.9% | 5.8% | 4.9% | 8.5% | 10.7% | 12.1% | 4.2% | | | |
| <i>S&P 500</i> | 3.8% | 2.9% | 5.3% | 4.9% | 8.5% | 10.6% | 12.1% | 4.1% | 0.6% | 2.6% | 9.3% |
| MCM Int. Index | 2.5% | 4.2% | 10.4% | 9.3% | 14.0% | 18.7% | 19.4% | 11.4% | | | |
| <i>MSCI EAFE</i> | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| MCM Aggregate Index | 0.4% | -1.4% | -1.0% | 1.5% | 2.4% | 3.4% | 3.9% | 4.6% | | | |
| <i>Lehman Aggregate</i> | 0.4% | -1.4% | -1.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| Vanguard Growth & Inc | 4.6% | 3.8% | 6.1% | 6.1% | 9.1% | 11.5% | 13.0% | 4.9% | | | |
| <i>Wilshire 5000</i> | 4.0% | 2.9% | 6.2% | 6.2% | 10.1% | 11.8% | 14.2% | 6.1% | 2.5% | 3.8% | 9.3% |
| Dreyfus Midcap | 4.1% | 2.0% | 6.0% | 7.8% | 11.8% | 11.4% | 16.1% | 9.8% | | | |
| <i>S&P 400</i> | 4.9% | 3.4% | 7.4% | 11.8% | 16.5% | 15.1% | 19.2% | 12.2% | 10.1% | 12.4% | 14.2% |
| T. Rowe Price Small Cap | 5.2% | 4.3% | 8.0% | 8.0% | 10.5% | 14.7% | | | | | |
| <i>R2000</i> | 4.9% | 1.9% | 6.1% | 5.0% | 8.1% | 12.6% | 20.0% | 11.5% | 10.1% | 9.3% | 9.6% |
| Brandes International | 2.6% | 4.2% | 10.5% | 6.4% | 10.8% | 19.2% | 23.9% | 14.2% | | | |
| <i>MSCI EAFE</i> | 2.5% | 3.9% | 9.9% | 8.9% | 13.7% | 19.1% | 20.9% | 11.6% | 4.7% | 4.8% | 6.1% |
| Dodge & Cox | 0.3% | 1.1% | 1.8% | 3.9% | 4.3% | 4.0% | 4.1% | 4.5% | | | |
| <i>Lehman Aggregate</i> | 0.4% | -1.4% | -1.0% | 1.5% | 2.4% | 3.4% | 4.0% | 4.8% | 6.1% | 5.6% | 6.2% |
| Stable Value | 0.3% | 1.1% | 1.8% | 3.9% | 4.3% | 4.0% | 4.1% | 4.5% | | | |
| Persi Total Return Fund | 3.0% | 2.7% | 6.0% | 7.1% | 10.6% | 12.2% | 13.9% | 8.6% | 5.7% | 6.8% | 9.3% |

ADELANTE (PUBLIC RE - REITS)
DOMESTIC EQUITY: WILSHIRE REIT BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|-----------------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Adelante Total Return | 5.26% | 4.61% | 20.96% | 29.76% | 22.85% |
| Wilshire REIT Index | 4.64% | 2.85% | 19.75% | 27.90% | 20.79% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

For the month ending November 30, 2005 - The Account outperformed the Dow Jones Wilshire REIT Index by 58 basis points. Security selection within the regional mall sector drove the excess return while sector selection (cash) was drag on performance. Our regional mall holdings gained 8.0% during the month versus 5.7% for the regional mall sector. Simon Property Group, regional mall REIT, was our best performing holding, advancing 9.0%. Capital Trust was the worst performing holding, only advancing 0.1%. The Spirit Finance position, originally purchased as a 144a security, was closed during the month after several months of opportunistic sales. When we pursued this investment in 2003, we anticipated a softer REIT market in the succeeding years, however, the Company faced increased competition and an inability to distinguish itself in a capital rich environment.

Quarter ending November 30, 2005 - The Account outperformed the Dow Jones Wilshire REIT Index by 176 basis points, as the REIT market rebounded. Similar to the results discussed over the past two months, security selection within the Office sector drove our excess return. Our office positions advanced 12.6% for the period. However, our exposure to Capital Trust, a mortgage REIT, declined 5.9% or 37 basis points of relative drag on the portfolio. Arden Realty was our best performing holding, gaining 20.7%, as the market continues to digest the prospects of a go private transaction, which is likely to occur prior to year end. United Dominion Realty was the worst performing holding for second consecutive month, declining 4.1%.

Comments – In early November, members of our investment team attended the NAREIT annual convention in Chicago to meet with a number of our holdings. The timing of the convention pushed many of the companies to report in advance of their meetings with the analysts and stimulated renewed interest in the sector. Generally, the tone of the meetings was good, however, we are increasingly sensitive to softening asset prices, i.e. rising cap rates. Over the past three months we have been allowing our cash to drift higher (5% at month end) in anticipation near term weakness at year end. 2005 has been another successful year in the REIT market. While capital continues to flow to the real estate markets, many Wall Street analyst continue to be bearish on the REIT sector, which has led us to be more cautious at annual 'mark' points, like year end. Over the coming weeks, we will be preparing our 2006 Investment Outlook and will provide thoughts and themes for PERSI's consideration. Happy Holidays!

MANAGER STYLE SUMMARY

Adelante (formerly Lend Lease Rosen) manages the public real estate portfolio, comprised of publicly-traded real estate companies, primarily real estate investment trusts (REITs). Investments will generally fall into one of three categories as described in the Portfolio Attributes section: Core holdings, Takeover/Privatization candidates, and Trading Opportunities. Typical portfolio characteristics include current pricing at a discount relative to the underlying real estate value, attractive dividend prospects, low multiple valuations (P/FFO), and expert management. Chadwick Saylor (in conjunction with Hamilton Lane) oversees the investments in this portfolio, along with the private real estate portion.

ADELANTE (PUBLIC RE - REITS)
DOMESTIC EQUITY: WILSHIRE REIT BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Adelante | Wilshire REIT | Calc | Min | Max | Compliance |
|---|----------|---------------|------|-------|---|-----------------------------|
| B2. All securities are publicly-traded real estate companies, primarily real estate investment trusts | | | | | | ok |
| B3. Mkt Cap of Issuers of Securities in the Account | | | | \$250 | | ok |
| B4. Single Security Positions <= 30% @ purchase | | | | | | ok |
| B6a. P/FFO (12-mo trail) | 16.70 | 16.76 | 1.00 | | 1.30 | ok |
| B6b. Beta | 1.01 | 1.00 | 1.01 | 0.70 | 1.30 | ok |
| B6c. Dividend Yield | 4.00 | 4.37 | 0.92 | 0.80 | 2.00 | ok |
| B6d. Expected FFO Growth | 5.90 | 9.77 | 60% | 80% | 120% | check |
| E2. Commissions not to exceed \$0.06/share | | | | | | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B6d. Expected FFO Growth: Lower Expected FFO Growth is attributable to our under exposure to Hotels.

PORTFOLIO ATTRIBUTES

Portfolio Guidelines section B5

Core Holdings (40% - 100%)

Actual: 75% ok

Consists of investments with the following characteristics: premier asset portfolios and management teams, attractive dividend yields, low multiple valuations, real estate property types or regions that are less prone to experience the impact of an economic slowdown.

Takeover/Privatization Candidates (0% - 15%)

Actual: 6% ok

Focuses on smaller companies which may be attractive merger candidates or lack the resources to grow the company in the longer-term. Also focuses on companies which may have interest in returning to the private market due to higher private market valuations.

Trading Arbitrage (0% - 20%)

Actual: 14% ok

Focuses on high quality companies which may become over-sold as investors seek liquidity.

ORGANIZATIONAL/PERSONNEL CHANGES

In November, we hired a Research Associate and two Portfolio Administrators. In addition, Adelante relocated its headquarters from our Berkeley location to: 555 12th Street Suite 2100, Oakland, CA 94607.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |

BARING ASSET MANAGEMENT, INC.
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|---------------|---------------|------------------|----------------|------------------|------------------|
| Baring Equity | 4.20% | 5.70% | 11.00% | 14.70% | -0.20% |
| Wilshire 5000 | 4.00% | 2.90% | 10.80% | 14.40% | 2.60% |
| MSCI ACWI | 3.70% | 4.00% | 12.90% | 17.30% | 3.20% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Following October's energy-led correction, global equities rebounded nearly 4% in US dollar terms during November. Optimism was sparked by growing expectations that the Federal Reserve may be close to completing its interest-rate hikes. Your fund outperformed during the month, primarily thanks to stock-selection in the UK and US.

Emerging markets led the advance, rising nearly 9%, whilst Europe lagged in anticipation of the first ECB rate-hikes in five years. By contrast, certain emerging markets such as Brazil are just starting to reduce rates from elevated levels - hence our attraction to these regions.

By sector, technology led, boosted by consumer electronics companies (e.g. Apple), Internet portals (Google and Yahoo) and semiconductors (Marvell, Texas Instruments). Telecommunications were weakest, owing to access line erosion and margin pressure.

Third quarter earnings were strong globally and grew 16% year-over-year in the US. US corporate profitability is at 40-year highs, but fears that these margins are unsustainable have proven unfounded to date. Incremental profitability remains well above base levels, thanks to lower depreciation and interest expense, and the elimination of goodwill amortisation. Expectations in the US for 2006 are for further earnings gains of 11%.

Amongst purchases, we bought Scientific Games, one of the world's leading instant-ticket and online lottery operators. Installations are now spreading to Asia and Eastern Europe, following the popularity of such systems in Europe and the US. Amongst disposals, we sold TDC, Denmark's pre-eminent telecommunications company, following a private-equity bid which caused the shares to rise 35% since August.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | n/a | | | |

MANAGER STYLE SUMMARY

Baring tends to be a "top-down" manager, focusing on country and sector allocations with individual stock selection as a secondary consideration. Until the second half of 2004, Barings was asked to customize their portfolio to maintain a large cap growth exposure. Since then, Barings has implemented their fully integrated approach, which should result in portfolio characteristics similar to that of the benchmark, although they may have a tendency toward mid-capitalization stocks. Barings is not a "closet indexer" and is willing to have no presence in a country/region if they feel prospects are poor - this implies more volatility in returns compared to other global managers. Barings will actively hedge foreign currency exposures.

BARING ASSET MANAGEMENT, INC.
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Index | Baring EQ | Calc | Min | Max | Compliance |
|---|--------|-----------|------|-----|---|------------|
| A1. ETF Security position <= 5% of the account @ purchase | | | | | | ok |
| B3. Security position <= 5% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 92 | | 85 | 120 | ok |
| B5. Normal Regional Exposures: | | | | | | |
| United States & Canada | | 38% | | 30% | 80% | ok |
| United Kingdom | | 14% | | 0% | 30% | ok |
| Europe ex U.K. | | 19% | | 5% | 40% | ok |
| Japan | | 10% | | 0% | 25% | ok |
| Pacific ex Japan (Developed Index) | | 5% | | 0% | 20% | ok |
| Non-Index Countries (All Emerging) | | 9% | | 0% | 15% | ok |
| Cash & Hedges | | 5% | | | | |
| Total | | 99% | | | | |
| B6. Normal Global Portfolio Characteristics (MSCI All Country World) | | | | | | |
| Capitalization | 62,639 | 61,808 | 99% | 70% | 130% | ok |
| Price/Book Value | 2.6 | 2.8 | 105% | 80% | 140% | ok |
| Price/Earnings (Next 12 mo) | 14.2 | 13.7 | 97% | 90% | 120% | ok |
| Price/Cash Flow | 9.1 | 9.8 | 108% | 80% | 140% | ok |
| Dividend Yield | 2.1 | 1.7 | 81% | 60% | 120% | ok |
| Return on Equity | 15.0 | 13.1 | 88% | 75% | 150% | ok |
| Return on Equity (5-Yr Avg) | 16.7 | 17.3 | 104% | 75% | 150% | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterpart <= 30% of total mv of account | | | | | | ok |
| F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities | | | | | | ok |
| F3. Annual turnover | | 111% | | | 120% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

BARING ASSET MANAGEMENT, INC.
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|------------------|---------------|------------------|----------------|------------------|------------------|
| Baring FX | 0.40% | -1.04% | 2.95% | 5.33% | 6.90% |
| Lehman Aggregate | 0.44% | -1.38% | 2.40% | 4.00% | 6.06% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

- The portfolio slightly underperformed the benchmark in November, rising +0.40% versus the benchmark return of +0.44%. The greatest positive contributor to performance was the allocation to Mexico, where the Fund currently holds over 4% of its assets. Singapore bonds were a disappointment, although the smaller allocation to the Singapore dollar helped performance. Exposure to the Japanese yen (approximately 2.5%) was a negative contributor as technical pressure seemed to override fundamental factors.
- Most government bond markets saw their yield curves flatten somewhat during November, with short-dated bond yields higher in the expectation of interest rate hikes, and in some cases long-dated bonds rallying. The US Federal Reserve increased rates at the beginning of the month as expected, although the current series of interest rate hikes in the US is probably near its peak. However, economic data remains strong with the US economy reportedly growing by 4.3%, although housing price rises appear to have moderated. The US dollar rallied in November with the steady increase in interest rates providing tempting returns for investors.
- The notable shift in policy was in Europe, where the European Central Bank raised expectations throughout the month of a rate increase. The decision was made on 1st December when rates were raised by 25bps to 2.25%, the first time Europe has experienced a rate increase in five years. Short-dated European bonds anticipated the hike and yields rose during November, although the long-end remained largely unchanged.
- In Japan, the middle of the yield curve staged a muted rally while long-and-short-dated bonds remained broadly unchanged. The most notable feature of the Japanese market was the weakness of the yen, despite strong equity markets and supportive economic data.
- US corporate bonds underperformed government bonds in November, although absolute returns were positive. Emerging market debt (EMD) rallied, recovering from a fall in October and outperformed both US Treasuries and corporate bonds. Mexican local-currency bonds have continued to perform well despite the Presidential elections drawing near. We maintain a small weighting to Mexico benefit from the attractive yield and strong underlying fundamentals, although we will continually reassess this holding in the run-up to the elections next year.
- Activity was limited during the month with most bond activity limited to short-dated sales and purchases. In currencies, our view on the Japanese yen remains positive despite its poor performance in November. With the Japanese economy performing well and foreigners buying Japanese assets we expect these fundamental factors to override the technical short positions the market has established in recent months.
- The portfolio remains underweight in corporate credit, which we still think provides limited recompense for the additional associated risk. However, after sustained underperformance of mortgage backed securities, this asset class is for the first time this year looking more attractive, and we have begun to reduce the portfolio's underweighting accordingly.

ORGANIZATIONAL/PERSONNEL CHANGES

1 Global Fixed & Currency Credit Analyst joined

MANAGER STYLE SUMMARY

Barings is the only manager with a global fixed income mandate. They will make interest rate bets, not only within the U.S., but also between countries. As a result, Barings will sometimes hold foreign, non-dollar denominated securities, and will also t

BARING ASSET MANAGEMENT, INC.
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | Baring FX | Min | Max | Compliance |
|---|-----------|------|---|-----------------------------|
| A3. Rule 144A securities | 0% | | 3% | ok |
| B2a. Regional/Sector Allocations: | 101% | | | |
| NORTH AMERICA | 89% | 20% | 100% | ok |
| Governments (incl Agy & Supranatl) | 42% | 0% | 100% | ok |
| Mortgages (incl MBS & 1st Mtg Deb) | 20% | 0% | 60% | ok |
| Corporates | 5% | 0% | 50% | ok |
| US\$ Denominated Foreign Sovereigns | 20% | 0% | 20% | ok |
| Canada | 0% | 0% | 30% | ok |
| Cash | 2% | | | |
| JAPAN | 0% | 0% | 40% | ok |
| MEMBERS OF EMU AND UK | 0% | 0% | 60% | ok |
| OTHER (ABS, CMBS, munis & other non | 12% | 0% | 15% | ok |
| Quality Allocations: | | | | |
| SUB-INVESTMENT GRADE | 0% | 0% | 35% | ok |
| US \$ Denominated Corporates | 0% | 0% | 100% | ok |
| US \$ Denominated Foreign Sovereigns | 0% | 0% | 100% | ok |
| Non-US \$ Denominated Corporates | 0% | 0% | 100% | ok |
| Non-US \$ Denominated Sovereigns | 0% | 0% | 100% | ok |
| B2b. Effective Duration +/- 40% of Benchmark | | 2.78 | 6.48 | |
| | 5.47 | 4.63 | ◀ Leh Aggr | ok |
| B3a. Corporate securities of one issuer <=5% | | | | ok |
| B3b. Number of positions | 33% | 30 | | ok |
| B3ci. Regional allocations above also apply to forwards | | | | ok |
| B3cii. Max forward w/single counterpart <=25% | | | | ok |
| E2. Annual Turnover | 112% | | 250% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

E2. Annual Turnover: Annual turnover INCLUDING Mortgage B'kd - 156.44

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | N/A | | | |

BERNSTEIN EMERGING MARKETS VALUE
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|---------------|---------------|------------------|----------------|------------------|------------------|
| Bernstein EMV | 7.67% | 7.30% | 31.69% | n/a | n/a |
| MSCI EMF | 8.28% | 10.64% | 33.13% | | |

COUNTRY ALLOCATION COMPARISON

| <u>Over-weight</u> | <u>Bernstein</u> | <u>EMF</u> | <u>Under-weight</u> | <u>Bernstein</u> | <u>EMF</u> |
|--------------------|------------------|------------|---------------------|------------------|------------|
| Brazil | 15.55% | 10.92% | Russia | 0.00% | 5.36% |
| Thailand | 4.48% | 1.78% | Malaysia | 0.43% | 3.05% |
| Turkey | 4.73% | 2.22% | Chile | 0.00% | 1.79% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Market Overview

Emerging markets, as measured by the MSCI Emerging Markets Index, gained 8.3% in November and outpaced world equity markets, which advanced 3.4%, as measured by the MSCI World Index. Emerging markets stocks rallied on signals from the US Federal Reserve that the end of the current cycle of interest rate hikes may be near. Cyclically-sensitive stocks also outperformed this month on data suggesting continued global economic growth—consumer discretionary, financials and technology sectors all gained. On the other hand, the energy and materials sectors lagged due to a decline in global energy prices and concerns of lower steel pricing. Defensive sectors such as telecom and utilities also were weaker.

Impacts on Performance

The portfolio performed in line with the MSCI Emerging Markets Index in November, before fees. Gains from country selection were partially offset by weakness from the portfolio's security selection. The portfolio's banking exposure was the biggest driver of this month's performance, where both the overweight of the industry as well as stock selection within it contributed. Specifically, Korean banks Shinhan Financial and Industrial Bank of Korea both enjoyed significant gains this month, as data showing continued strength in the consumer credit cycle helped. Indonesian banking stock Bank Rakyat also contributed, after it gained from a positive earnings report showing strong loan growth in the third quarter. Finally, Turkish bank Akbank helped and rose along with other Turkish stocks. In materials, Korean steel producer POSCO fell on concerns over price cuts after China's Bao Steel reduced prices. However, this was offset by the portfolio's positions in Brazilian steel makers Usiminas and Gerdau. While price competition remains a concern for the steel industry, Brazilian companies have a cost advantage and continue to earn higher margins on exports to China.

Outlook

Emerging markets have outperformed developed markets by nearly 20% this year. As a result, the valuation discount of emerging markets has narrowed to about 26%, based on price-to-next-12 months' earnings estimates. While this discount narrowed 10% since the beginning of the year, we continue to believe in the high profitability of emerging markets, which have a 4% aggregate ROE premium to developed markets. Given the continued valuation discount, we still find emerging markets attractive. We are constructing portfolios which continue to be very attractively valued, with an average price-to-book ratio of 1.8x, a price-to-next-12 months' earnings ratio of 7.8x, and a dividend yield of 3.9% (compared to 2.3x, 10.5x, and 2.6% for the MSCI Emerging Markets Index, respectively).

MANAGER STYLE SUMMARY

Bernstein a value-oriented, "bottom-up" manager, focusing on individual security selection, where country and sector allocations are an outgrowth of stock selection. As with their global product, they seek companies which are undervalued relative to their long-term earnings prospects due overreaction by the market. Although country selection is a by-product of the stock selection process, Bernstein seeks to reduce risk and enhance returns by limiting country concentration and maintaining stable country weights, as compared to the historical volatility of country weightings in the MSCI Em Index.

BERNSTEIN EMERGING MARKETS VALUE
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

| PORTFOLIO GUIDELINE COMPLIANCE | | | | NOVEMBER | | 2005 |
|---|---------------|---------------|------|----------|---|-----------------------------|
| Portfolio Guideline: | Index | Bernstein | Calc | Min | Max | Compliance |
| B3. Security position <= 8% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 93 | | 70 | 100 | ok |
| B5. Normal Regional Exposures (* benchmark +/- min/max): | | | | | | |
| Latin America * | 21% | 22% | | 15% | 15% | ok |
| Asia * | 51% | 54% | | 15% | 15% | ok |
| EMEA * | 28% | 24% | | 15% | 15% | ok |
| Other | | 0% | | 0% | 20% | ok |
| Total | | 100% | | | | |
| B6. Normal Portfolio Characteristics (MSCI EM) | | | | | | |
| Capitalization | 16,729 | 10,442 | 62% | 25% | 100% | ok |
| Price/Book Value | 2.3 | 1.8 | 81% | 30% | 100% | ok |
| Price/Earnings (Next 12 mo) | 10.5 | 7.2 | 69% | 30% | 100% | ok |
| Price/Cash Flow | 8.7 | 5.8 | 67% | 30% | 100% | ok |
| Dividend Yield | 2.6 | 3.9 | 147% | 75% | 200% | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterparty <= 30% of total mv of account | | | | | | ok |
| F3. Annual turnover | | 30% | | 30% | 40% | check |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B4. Number of Issues: Number of issues is in line with guidelines

F3. Annual Turnover: Annual T/O is less than 10 bps under portfolio guideline requirements

ORGANIZATIONAL/PERSONNEL CHANGES

There were none.

ACCOUNT TURNOVER

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ -

Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s): Non-public information such as Accounts Gained and Lost cannot be disclosed until it is released to the public. This information will be available to PERSI on a quarterly basis. The numbers above represent Q2 2005.

BERNSTEIN GLOBAL STRATEGIC VALUE
GLOBAL EQUITY: MSCI ACWI BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|---------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Bernstein GSV | 4.11% | 4.59% | 19.93% | n/a | n/a |
| MSCI ACWI | 3.64% | 3.88% | 14.32% | | |
| Russell 3000 | 3.89% | 2.84% | 9.80% | | |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Market Overview

Global equity markets rebounded in November, with the MSCI World Index up 3.3%. Japanese markets led the rally on growing evidence that the domestic economic recovery is taking hold. Furthermore, the weakening yen benefited Japan's exporters. Positive economic data from the United States along with indications that the US Federal Reserve may be nearing the end of its tightening cycle also supported markets.

Impacts on Performance

In November, before fees, the portfolio performed in-line with its benchmark, the MSCI World Index. The portfolio's stock selection within the finance sector added value, as did the portfolio's underweight of the medical sector. On the other hand, portfolio investments within the energy sector detracted from relative performance. Relative returns were driven by the portfolio's exposure to Asian and European financial stocks. Shares of Orix rose after the Japanese financial services company more than doubled its earnings for the first half of the year and raised its full year forecast. ING Groep rose after announcing better-than-expected third quarter earnings, driven by strong results in its ING Direct division. As for Munich Re, shares of the company increased on growing optimism about reinsurance pricing, the potential for growth following consolidation within the industry, and a reaffirmation of the company's earnings forecast despite large losses from catastrophes. On the downside, the portfolio's exposure to ConocoPhillips, Renault and Japan Tobacco detracted from relative returns. Integrated energy company ConocoPhillips weakened after the company cut its production forecast and raised its spending budget. However, we continue to find the stock attractive given its greater exposure to high commodity prices and complex refining margins. As for Renault, shares of the French automaker fell after the company warned of falling operating margins and expressed concern about the outlook for the European car market next year. Japan Tobacco was down as the market corrected for an overly optimistic view of growth in the domestic tobacco market and Japan Tobacco's market share. Nonetheless, the stock continues to look attractive given the company's cost cutting plan and the economic recovery occurring in some of its major markets.

Outlook

We continue to believe that global equity markets are reasonably valued and that these valuations are supported by the prospect of continued—if more moderate—economic and profit growth. The overall value opportunity is lower than average, but our fundamental research continues to uncover interesting value investments on a stock by-stock basis, resulting in portfolios that are attractively priced and have a profitability in-line with that of the market.

ORGANIZATIONAL/PERSONNEL CHANGES

There were none.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | Bernstein is a publically held company and cannot disclose non-public information such as Accounts Gained and Lost until it is released to the public. 2Q05 data above. | | | |

MANAGER STYLE SUMMARY

Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

BERNSTEIN GLOBAL STRATEGIC VALUE
GLOBAL EQUITY: MSCI ACWI BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

OCTOBER

2005

| Portfolio Guideline: | Index | Bernstein | Calc | Min | Max | Compliance |
|---|--------|-----------|------|-----|---|------------|
| B3. Security position <= 10% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 70 | | 25 | 75 | ok |
| B5. Normal Regional Exposures (* benchmark +/- min/max): | | | | | | |
| United States * | 49% | 36% | | 25% | 25% | ok |
| Europe ex U.K. * | 14% | 25% | | 15% | 15% | ok |
| UK * | 10% | 11% | | 10% | 10% | ok |
| Japan * | 10% | 11% | | 10% | 10% | ok |
| Emerging Markets | | 14% | | 0% | 20% | ok |
| Other | | 3% | | 0% | 20% | ok |
| Total | | 100% | | | | |
| B6. Normal Global Portfolio Characteristics (MSCI ACWI) | | | | | | |
| Capitalization | 66,691 | 61,281 | 92% | 50% | 100% | ok |
| Price/Book Value | 2.6 | 1.9 | 73% | 50% | 100% | ok |
| Price/Earnings (Next 12 mo) | 14.1 | 10.4 | 74% | 50% | 100% | ok |
| Price/Cash Flow | 10.8 | 6.3 | 58% | 50% | 100% | ok |
| Dividend Yield | 2.1 | 2.2 | 103% | 75% | 200% | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterparty <= 30% of total mv of account | | | | | | ok |
| Forwards executed with Custodian <= 100% of the total mv of account, given credit check | | | | | | ok |
| F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities | | | | | | ok |
| F3. Annual turnover | | 23% | | 30% | 40% | check |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

F3. Annual Turnover: Idaho deposited 50M in July 2005 which enabled us to add to existing positions and invest in new names without necessarily trimming/selling positions.

BRANDES INVESTMENT PARTNERS, L.P.
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|--------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Brandes | 0.89% | 2.25% | 10.26% | 20.65% | 9.57% |
| Russell 3000 | 3.90% | 2.84% | 9.81% | 13.64% | 1.90% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

In November, portfolio performance was positive, but lagged the markets. Holdings in the United Kingdom and the Netherlands had the largest positive contribution to returns, and US holdings had the largest negative contribution. Most other countries had positive returns.

On an industry basis, commercials banks and machinery had the largest positive impact. Automobiles and tobacco were the worst performing industries. A few poorly performing names were behind the relative underperformance for the month (General Motors, Japan Tobacco, Nortel Networks).

In November, Brandes added no new names, sold two completely (Central Japan Railway and Banco Bilbao Vizcaya Argentaria), and it also bought additional shares of existing companies and trimmed other holdings as their market prices advanced toward their estimates of fair value. In addition, Bayerische Hypo Vereinsbank (commercial banking – Germany) was acquired by Unicredito Italiano, who is now in the portfolio through this corporate action.

The normal stock-specific buying and selling, as well as changes in the prices of holdings shifted the portfolio's country and industry exposures slightly. As of 11/30/05, the largest weightings remain in the US (large underweight), diversified telecom services (large overweight), Japan (overweight) and pharmaceuticals (overweight). Overall, Brandes believes the portfolio remains well positioned to deliver favorable long-term results.

While Brandes monitors short-term events in international equity markets, their investment philosophy focuses on company-by-company analysis with a long-term perspective. Although this summary includes shorter-term and top-down information, Brandes continues to focus on applying our bottom-up, value philosophy over the long term with the goal of delivering better-than-benchmark results.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | | | |
|---------|---------------------|---|---------------------------|-----------------|
| Gained: | Number of Accounts: | 1 | Total Market Value (\$m): | \$ 91,670,131.0 |
| Lost: | Number of Accounts: | | Total Market Value (\$m): | \$ - |
| | Reason(s): | | | |

MANAGER STYLE SUMMARY

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

BRANDES INVESTMENT PARTNERS, L.P.
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Index | Brandes | Calc | Min | Max | Compliance |
|---|----------|----------|------|-----|---|------------|
| B3. Security position <= 5% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 82 | | 40 | 70 | check |
| B5. Normal Country Exposures: | | | | | | |
| United States & Canada | | 42% | | 30% | 100% | ok |
| Americas ex U.S. | | 4% | | 0% | 40% | ok |
| United Kingdom | | 8% | | 0% | 25% | ok |
| Europe ex U.K. | | 31% | | 0% | 50% | ok |
| Japan | | 14% | | 0% | 45% | ok |
| Pacific ex Japan | | 2% | | 0% | 40% | ok |
| Non-Index Countries | | 0% | | 0% | 20% | ok |
| Cash & Hedges | | 1% | | | | |
| Total | | 100% | | | | |
| B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large") | | | | | | |
| Capitalization | \$44,987 | \$45,098 | 100% | 30% | 125% | ok |
| Price/Book Value | 2.3 | 2.6 | 110% | 50% | 100% | check |
| Price/Earnings | 16.2 | 23.2 | 143% | 50% | 100% | check |
| Price/Cash Flow | 9.4 | 8.6 | 91% | 50% | 100% | ok |
| Dividend Yield | 2.4 | 2.5 | 104% | 90% | 150% | ok |
| B7. Normal U.S. Portfolio Characteristics (Russell 3000) | | | | | | |
| Capitalization | \$89,214 | \$43,094 | 48% | 30% | 125% | ok |
| Price/Book Value | 3.0 | 2.4 | 79% | 50% | 100% | ok |
| Price/Earnings | 18.6 | 16.5 | 88% | 50% | 100% | ok |
| Price/Cash Flow | 12.3 | 7.4 | 60% | 50% | 100% | ok |
| Dividend Yield | 1.8 | 2.9 | 164% | 90% | 150% | check |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterpart <= 30% of total mv of account | | | | | | ok |
| F2. Brokerage commissions not to exceed \$0.05/share or 50% of principal (non-U.S.) | | | | | | ok |
| F2. Annual turnover | | 27% | | | 100% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

- B4. Number of Issues: Several equity securities of the same company (e.g., ADR/local). Also, due to the breakup of Telebras into several separate companies, trading at attractive valuation.
- B6. Price/Book Value: Differences in international accounting rules affect fundamentals. We found value in a number of companies with low book value like communication/technology
- B6. Price/Earnings: We found value in a number of companies with low reported earnings like communication/technology stocks and Japanese stocks.
- B7. Dividend Yield: We found value in a number of companies with high dividend yields like automobiles and telecom stocks.

BRIDGEWATER ASSOCIATES - GLOBAL INFLATION-LINKED BONDS
GLOBAL FIXED: LEHMAN TIPS BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|-------------|---------------|------------------|----------------|------------------|------------------|
| Bridgewater | -0.50% | -1.16% | n/a | n/a | n/a |
| Lehman TIPS | 0.17% | -1.25% | 3.36% | 7.28% | 8.71% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The Inflation-Linked Bond Markets

The yield on the Lehman US TIPS index rose by approximately 15 bp during the month, and the shape of the real yield curve shifted significantly. The real yield on the shortest-dated TIPS more than doubled over the course of the month, and this resulted in an inversion of the real yield curve. To put this in perspective, the spread between one and ten-year TIPS began the month at 72 bp and finished the month at -25 bp. The combination of interest income and inflation uplift was sufficient to offset the rise in real yields, and the TIPS index produced a positive return for the period. The portfolio was modestly overweight TIPS in the 10-year sector of the curve. This resulted in 11 bp of alpha.

The US economy is continuing to perform well even in the face of the Fed's tightening of monetary policy. While the fed funds rate has increased by 300 bp since last July, the yield on the 10-year Treasury is at approximately the same level it was 18 months ago. The US is in the late stages of the expansion, and current levels of growth will be increasingly inflationary because demand can no longer be met by existing resources. The most recent measure of inflation shows that consumer prices have increased by 4.3% over the past 12 months. This level was at 3.2% a year ago.

Real yields fell modestly during November in both the UK and Australia, and were effectively unchanged in Europe. Canadian real yields ended the month a few basis points higher. Overall, positioning in the international inflation-linked bond markets resulted in -48 bp of alpha.

Breakeven Inflation Rates

While year-on-year inflation came off the highs posted in September, the inflation rate is still significantly higher than the level reflected in the BEI market (the difference between real and nominal interest rates). For the most part, US BEI fell by approximately 5 bp in November. The portfolio was positioned for rising BEI in the US and internationally and this resulted in -12 bp of alpha for the month.

Portfolio Positioning

We believe that real yields in Australia and the UK are too low relative to current conditions, and that the real yields in both countries are too low relative to real yields in the US and Europe. Additionally, we believe the market does not properly reflect the inflation pressures in the global markets, and we reflect this view by being short nominal bonds.

For the month of November the benchmark posted a return of 0.17%; the alpha generated for the portfolio was -0.50%, and the gross of fees return for the portfolio was -0.32%.

MANAGER STYLE SUMMARY

Bridgewater manages a Global Inflation-Linked Bond portfolio. This is an expansion of our existing SSgA TIPS (Treasury Inflation Protected Securities) allocation in that (1) this portfolio will be actively managed and will not employ simply a buy and hold strategy and (2) Bridgewater will not be limited to only US TIPS. Given this global mandate, Bridgewater has the latitude to hold foreign, non-dollar denominated securities, take currency positions, and enter into futures, options and swaps contracts.

BRIDGEWATER ASSOCIATES - GLOBAL INFLATION-LINKED BONDS
GLOBAL FIXED: LEHMAN TIPS BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | Lehman TIPS | Bridgewater | Min | Max | Compliance |
|---|-------------|-------------|------|---|--|
| B2a. Country Exposure | | | | | |
| i. Net exposure to individual countries between ± 7.5 years of duration around the benchmark | | | | | ok |
| ii. Long nominal positions are not permitted | | | | | ok |
| iii. Any country issuing IL bonds w/a sovereign local currency credit rating (S&P) of A- or better | | | | | ok |
| B2b. Currency Exposure not to exceed the percentage of foreign bonds held in each individual currency | | | | | ok |
| B2c. Counterparties | | | | | ok |
| Currency forward contracts: counterparties must have a short-term credit rating of at least A1 or P1 | | | | | ok |
| Other OTC Derivatives: counterparties must have a long-term credit rating from S&P of at least A- | | | | | ok |
| B2d. Effective Duration | 8.11 | 5.71 | 0.61 | 15.61 | ok |
| B3a. Fixed income positions | | 22 | 12 | | ok |
| ii. The maximum aggregate forward exposure (delivered or received in US \$) with any single counterpart shall not exceed 25% of the U.S. dollar value of the account. | | | | | ok |
| F2. Annual Turnover | | N/A | 200% | 400% | check |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | <input checked="" type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

There were no organizational or personnel changes.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|-------|
| Gained: | Number of Accounts: | 1 | Total Market Value (\$m): | \$ | 185.6 |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |

CAPITAL GUARDIAN TRUST COMPANY
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|------------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Capital Guardian | 3.88% | 3.53% | 12.39% | 16.24% | n/a |
| MSCI World | 3.38% | 3.54% | 11.69% | 16.38% | n/a |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

World Markets - November: Global equity markets rose in November, though returns for U.S. investors were tempered by a strengthening U.S. dollar. Generally positive economic news in each major region helped cyclical stocks outperform defensive ones. Returns for emerging markets surpassed developed markets. Bond markets were mixed; in local currency terms, total returns were strong in the U.K. and Canada, positive in Australia, Japan and the U.S., and negative within Continental Europe. The price of oil eased, and the price of gold surpassed \$500..

November Portfolio Attribution: Stock selection in **Japan** and **Information Technology** helped. Japanese tech names that performed well were Softbank Corp (0.9% of the portfolio) up 47.2% and Advantest (0.3%) up 30.4%. Other tech names that helped were Applied Materials (1.3%) up 10.8%, KLA-Tencor (1.2%) which gained 10.9%, and Qualcomm (0.6%) up 14.4%. Stock selection in **Financials** hurt with SLM Corp (0.8%) down 5.0% and Millea Holdings (0.3%) down 5.3%.

Rolling 3-month Attribution: An overweight and stock selection in **Japan** helped (i.e., Softbank Corp, Sumitomo Mitsui, Mitsubishi UFJ). Stock selection in **Energy** helped (i.e., Schlumberger, Cameco Corp). Stock selection in **U.S.** names hurt over the last three months (i.e., JP Morgan Chase, Schlumberger, General Electric).

Outlook and Strategy: While keenly aware of the risks to the global economy and corporate profits, we continue to have a relatively sanguine view on the global economy and equities in general. Chinese demand is still strong; interest rates are still low in many parts of the world; there is a continuing need for infrastructure improvement; Japan's domestic economy appears to be on better footing; corporate restructuring is still occurring in Europe and Japan; and we believe that valuations are still attractive in many markets, especially relative to bonds.

Broadly speaking, the investments we currently favor are still related to restructuring, growth and companies using their cash-rich balance sheets to do the right things for shareholders, such as increasing dividends and repurchasing shares.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |

MANAGER STYLE SUMMARY

Capital Guardian is a "bottom-up" manager, focusing on individual security selection in light of macroeconomic factors (country, sectors, currency). Capital Guardian's investment process is unique in that it is essentially a portfolio of 10 independently managed portfolios consisting of one U.S., one North America, three non-U.S., and five global managers (one of which is the research portfolio). Portfolio manager allocations are based on portfolio management experience.

CAPITAL GUARDIAN TRUST COMPANY
GLOBAL EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Index | CGTC | Calc | Min | Max | Compliance |
|---|-------|------|------|-----|---|-----------------------------|
| B3. Security position <= 5% of the account @ purchase | | | | | | ok |
| B4. Number of issues | 259 | | | 200 | 250 | check |
| B5. Normal Country Exposures: | | | | | | |
| United States | 39% | | | | 75% | ok |
| Emerging Markets | 4% | | | | 10% | ok |
| The following are limited to the larger of 25% of the total portfolio or 2 times the MSCI World benchmark weight: | | | | | | |
| Japan | 11% | 15% | 1.3 | | 25% | ok |
| United Kingdom | 11% | 10% | 0.9 | | 25% | ok |
| Germany | 3% | 4% | 1.4 | | 25% | ok |
| France | 4% | 5% | 1.2 | | 25% | ok |
| Switzerland | 3% | 6% | 1.8 | | 25% | ok |
| The following are limited to the larger of 10% of the total portfolio or 3 times the MSCI World benchmark weight: | | | | | | |
| Other MSCI World (incl Can) | 16% | 18% | 1.2 | | 10% | ok |
| B6. Normal International Portfolio Characteristics (MSCI EAFE) | | | | | | |
| Capitalization (wtd avg) | 51 | 47 | 92% | 60% | 100% | ok |
| Price/Earnings (trail) | 17.4 | 18.4 | 105% | 80% | 135% | ok |
| Dividend Yield | 2.5 | 2.0 | 80% | 80% | 105% | ok |
| Price/Book Value | 2.4 | 2.5 | 103% | 90% | 120% | ok |
| B7. Normal U.S. Portfolio Characteristics (Russell 3000) | | | | | | |
| Capitalization (wtd avg) | 74 | 63 | 85% | 40% | 75% | check |
| Price/Earnings (trail) | 17.5 | 19.7 | 112% | 90% | 125% | ok |
| Dividend Yield | 1.7 | 1.4 | 81% | 70% | 110% | ok |
| Price/Book Value | 2.8 | 2.8 | 102% | 70% | 105% | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterpart <= 30% of total mv of account | | | | | | ok |
| F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities | | | | | | ok |
| F3. Annual turnover | 25% | | | | 120% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B4. Number of Issues: The portfolio holds more than one issue of some securities. Total number of ISSUERS however is 243.

B7. Capitalization (wtd avg): Through our bottom-up stock selection process, we are holding names that on average have a relatively high market capitalization.

CLEARWATER ADVISORS, LLP
MORTGAGE TBAs: MERRILL LYNCH MORTGAGE MASTER BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|-----------------------------|---------------|------------------|----------------|------------------|------------------|
| Clearwater (CW) TBA | 0.29% | -1.0170% | 2.01% | - | - |
| CW TBA + CW Cash | 0.29% | -1.00% | 2.07% | - | - |
| Merrill Lynch Mortgage Mast | 0.31% | -0.98% | 2.34% | - | - |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Interest rates fell in November as the market curtailed their easing expectations. The 10 year yield fell 6.7 basis points to 4.49%. The 5 year yield was lower by 3 basis points finishing the month at 4.41%. The 5-10 year Treasury Index returned 0.578%. The TBA portfolio slightly underperformed the Merrill Lynch Mortgage Master Index due to the underweight in 5.5% coupons.

PORTFOLIO GUIDELINE COMPLIANCE

| Portfolio Guideline: | Clearwater | Min | Max | Compliance |
|--|---------------|---------|---|-----------------------------|
| A1. The account shall consist solely of dollar denominated TBA mortgage securities | | | | ok |
| B2a. Effective duration +/- 10% of index | 3.71 | 3.78 | ◀ ML Mtge | ok |
| B2b. Number of securities | 6 | 5 | 30 | ok |
| Cash position covers TBA positions (in \$ millions) | Cash | \$ 71.3 | | |
| | TBA positions | \$ 71.0 | | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | N/A | | | |

MANAGER STYLE SUMMARY

The mortgage TBA portfolio consists of "To Be Announced" mortgage-backed securities. These are pools of mortgages which are yet to be issued and can be purchased without immediate cash payment. PERSI requires a cash balance large enough to cover all TBA positions, thus, this portfolio will tend to maintain a high cash position. The "TBA + CW Cash" performance includes the excess returns over Mellon STIF generated by the Clearwater Cash portfolio.

CLEARWATER ADVISORS, LLP**CASH: 90-DAY LIBOR**

FOR THE MONTH OF:

NOVEMBER

2005

MANAGER PERFORMANCE CALCULATIONS** Annualized returns*

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|-------------------------|---------------|------------------|----------------|------------------|------------------|
| Clearwater - PERSI STIF | 0.32% | 0.97% | 3.14% | 1.94% | - |
| ML 3 Month LIBOR | 0.32% | 0.90% | 2.96% | 1.83% | - |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

3 month Libor rose another 16 basis points during November ending at 4.42%. The Fed raised the target rate to 4.00% on November 1st and is expected to raise it another 25 bps on December 13th. We continue to use commercial paper and short corporates to add value.

PORTFOLIO GUIDELINE COMPLIANCE

| Portfolio Guideline: | Clearwater | Min | Max | Compliance |
|---|------------|-----|---|-----------------------------|
| B2a. Sector Allocations: | 100% | | | |
| Treasuries | 0% | 0% | 100% | ok |
| Agencies | 0% | 0% | 100% | ok |
| Corporates | 21% | 0% | 100% | ok |
| Mortgage Backed Securities (MBSs) | 0% | 0% | 60% | ok |
| Asset Backed Securities (ABSs) | 0% | 0% | 40% | ok |
| Cash | 8% | 0% | 100% | ok |
| Commercial Paper | 71% | 0% | 100% | ok |
| B2b. Quality: Securities must be rated investment grade by S&P or Moody's at time of purchase | | | | ok |
| B2c. Effective Duration <=18 months | 2 | | 18 | ok |
| B2d. Number of securities | 25 | 10 | 50 | ok |
| B3a. Allocation of corporate securities to one issuer | 5% | | 5% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

MANAGER STYLE SUMMARY

The enhanced cash portfolio was created with the expectation that the portfolio will generate returns similar to, or in slight excess of, the Mellon Short-Term Investment Fund (STIF), while providing PERSI with an increased level of transparency into the cash portfolio.

D.B. FITZPATRICK & CO., INC. - IDAHO COMMERCIAL MORTGAGE PORTFOLIO
DOMESTIC FIXED: LEHMAN MORTGAGE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

** Annualized returns*

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|----------------------------|---------------|------------------|----------------|------------------|------------------|
| Idaho Commercial Mortgages | 0.71% | -1.21% | 3.32% | 3.46% | 6.71% |
| Lehman Mortgage | 0.33% | -0.90% | 2.33% | 3.47% | 5.57% |

PORTFOLIO SUMMARY

Market Value \$ 263,698,672

Delinquencies/REOs

| | | <u>\$ Amt</u> | <u>% of Portfolio</u> |
|-----------------------------|---------------|---------------|-----------------------|
| Originations/Payoffs | 30 days | \$ - | 0.00% |
| | 60 days | \$ - | 0.00% |
| | 90 days | \$ - | 0.00% |
| | 120+ days | \$ - | 0.00% |
| | REOs | \$ - | 0.00% |
| Month: | \$ 5,059,784 | | |
| Year to Date: | \$ 28,665,147 | | |
| Payoffs: | \$ - | | |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The PERSI Commercial Mortgage Portfolio outperformed the Lehman Mortgage Index by 38 basis points and the Lehman Aggregate Index by 27 basis points for the month of November. Year-to-date, the PERSI Commercial Mortgage Portfolio has outperformed both the Lehman Mortgage and Lehman Aggregate Indices by 84 basis points, and 99 basis points, respectively.

The Idaho and Boise economies have been strong through 2005, as evidenced by the sustained demand for commercial property by both tenants and investors, and should remain strong through 2006.

As the year comes to an end, the number of transactions in the Commercial Mortgage Program for 2005 was higher than average while the dollars originated was slightly below the average of the last 8 years. Looking forward to 2006, we have over \$80 million in potential loans in the pipeline including over \$30 million in committed funds.

MANAGER STYLE SUMMARY

The Idaho Commercial Mortgage portfolio is managed by DBF and consists of directly owned Idaho commercial mortgages. DBF oversees the origination process, the monitoring of the portfolio, and services 50% of the portfolio.

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D.B. FITZPATRICK & CO., INC. - MBS PORTFOLIO
DOMESTIC FIXED: LEHMAN MORTGAGE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

** Annualized returns*

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|-----------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| DBF MBS | 0.33% | -0.98% | 2.00% | 3.16% | 5.53% |
| Lehman Mortgage | 0.33% | -0.90% | 2.33% | 3.47% | 5.57% |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>DBF</u> | <u>Leh Mtge</u> |
|---|------------|-----------------|
| Market Value (\$ m) | \$161.50 | N/A |
| Weighted Average <i>Effective</i> Duration (in years) | 4.2 | 3.9 |
| Weighted Average Yield (in %) | 5.6% | 5.6% |
| Weighted Average Coupon (in %) | 5.5% | 5.3% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The PERSI portfolio performed in line with the Lehman Mortgage Index during the month of November. While there was significant interest rate volatility during the month, interest rates were largely unchanged in the intermediate portion of the yield curve. High interest rate volatility negatively impacted the total return to callable bonds relative to noncallable bonds.

We expect with the Fed Funds rate currently at 4.25%, the Fed is nearly done with the current cycle of rate increases. We believe this outlook is reinforced by remarks and writings of the newly appointed Federal Reserve Chairman. Core inflation remains stable and benign, while output and productivity growth remain strong.

We will continue to maintain portfolio attributes that are close to those of the benchmark index.

MANAGER STYLE SUMMARY

DBF's MBS (Mortgage Backed Security) portfolio is a "core" holding which attempts to generally track the returns of the Lehman Mortgage Index. Excess returns are added through security selection and interest rate bets, although such bets are expected to be limited and relatively low-risk. DBF also manages the Idaho Mortgage Program in conjunction with this portfolio -- the MBS portfolio serves as a "cash reserve" of sorts, to fund mortgages managed through the Idaho Mortgage Program. Consequently, we expect this portfolio to hold traditional MBS instruments and to maintain a reasonably healthy status, with no significant bets which could go significantly awry.

D.B. FITZPATRICK & Co., INC. - MBS PORTFOLIO
DOMESTIC FIXED: LEHMAN MORTGAGE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | | DBF | Min | Max | Compliance |
|---|--|-------|------|---|-----------------------------|
| B2. | Minimum portfolio size | \$161 | \$50 | | ok |
| B2a. Security Type: | | | | | |
| MORTGAGE RELATED | | 99% | 80% | 100% | ok |
| Generic MBSs | | 99% | 75% | 100% | ok |
| GNMAs | | 17.9% | | | |
| FNMAs | | 45.9% | | | |
| FHLMCs | | 34.8% | | | |
| CMOs | | 0.0% | 0% | 25% | ok |
| NON-MORTGAGE RELATED | | 0.0% | 0% | 20% | ok |
| Treasuries | | 0.0% | 0% | 20% | ok |
| Agencies | | 0.0% | 0% | 20% | ok |
| Cash | | 1.5% | 0% | 10% | ok |
| Attributes: | ▼ Leh Mtge | | | | |
| Duration | 3.9 | 4.2 | 1.9 | 5.9 | ok |
| Coupon | 5.3% | 5.5% | 4.3% | 6.3% | ok |
| Quality | AAA+ | AAA+ | AAA | | ok |
| B3. | Individual Securities excluding Treasuries as a % of portfolio | | 0% | 5% | ok |
| B4. | Number of securities | 36 | 25 | 50 | ok |
| E2. | Annual Turnover | 19% | 0% | 25% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | N/A | | | |

DONALD SMITH & CO., INC.
DOMESTIC EQUITY: RUSSELL 3000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|--------------------|---------------|------------------|----------------|------------------|------------------|
| Donald Smith & Co. | 4.18% | 3.77% | 11.23% | n/a | n/a |
| Russell 3000 | 3.90% | 2.84% | 9.81% | n/a | n/a |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>DSCO</u> | <u>RU 3000</u> | <u>Sector Analysis</u> | | |
|------------------------|-------------|----------------|------------------------|-------------|----------------|
| | | | <u>Over-weight</u> | <u>DSCO</u> | <u>RU 3000</u> |
| Mkt Value (\$m) | 183.21 | N/A | Financial Serv | 12.37% | 22.80% |
| Wtd Cap (\$b) | 3.78 | 75.30 | Autos/Transpc | 17.25% | 2.40% |
| P/E | 14.26 | 16.00 | Utilities | 7.18% | 6.80% |
| Beta | 1.01 | 0.96 | | | |
| Yield (%) | 1.00 | 1.70 | | | |
| Earnings Growth N/A | | | <u>Under-weight</u> | <u>DSCO</u> | <u>RU 3000</u> |
| | | | Healthcare | 0.00% | 12.70% |
| | | | Technology | 5.86% | 13.60% |
| | | | Consumer Sta] | 0.00% | 6.70% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The account outperformed the Russell 3000 in the month. Most of the stocks eliminated from the portfolio during the month (see below) were sold after strong appreciation. Other strong performers included US Airways (+36.1%), La Quinta (+31.3%) and U.S. Steel (+30.3%). La Quinta rose after receiving an \$11.25/share tender offer. These large gains were partly offset by the declines in the auto stocks, General Motors (-20.1%) and Visteon (-18.9%), and Reliant Energy (-27.9%), who announced disappointing third quarter results.

The following stocks were eliminated from the portfolio during the month, all after achieving substantial appreciation: AK Steel, American Financial Group, Micron Technology and UT Starcom. No new stocks were added.

At month-end, the portfolio sold at 98% of book value, 34% of revenues and 8.4x potential earnings. Large industry weightings include Airlines (11.7%) and Insurance (10.6%). The Technology sector was reduced from 12.4% the previous month to 5.5% this month with the elimination of Micron and UT Starcom. We still have no holdings in the energy sector and a decline in oil prices would benefit a number of our holdings.

MANAGER STYLE SUMMARY

Donald Smith & Co manages an all-cap portfolio, employing a bottom-up, deep value investment strategy. They invest in stocks with low P/B ratios and which are undervalued given their long-term earnings potential. Consequently, the portfolio will consist of securities with higher dividend yield and lower P/B and P/E ratios relative to the market. This is a concentrated portfolio, consisting of approximately 15-35 issues, and as a result, may experience more volatility than the market.

DONALD SMITH & Co., INC.
DOMESTIC EQUITY: RUSSELL 3000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | DSCO | RU 3000 | Calc | Min | Max | Compliance |
|--|-------|---------|------|-----|---|--|
| B2. Security Market Cap (in \$m) > \$100 m @ purchase | | | | | | ok |
| B3. Security Positions <= 15% @ purchase | | | | | | ok |
| B4. Number of issues | 17 | | | 15 | 35 | ok |
| B5. Portfolio Characteristics | | | | | | |
| P/B | 0.98 | 2.79 | 35% | 30% | 100% | ok |
| P/E (1 Year Forward) | 14.26 | 16.00 | 89% | 50% | 100% | ok |
| Dividend Yield | 1.00 | 1.70 | 59% | 50% | 150% | ok |
| Beta | 1.01 | 0.96 | 105% | 70% | 130% | ok |
| F2. Commissions not to exceed \$0.05/share; explanation required for commissions >\$0.07/share | | | | | | ok |
| F3. Annual Turnover | 35% | | | 20% | 40% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B5. P/E (1 Yr Forward): We focus on normalized EPS looking out 2-4 years. On this basis, we are significantly below the market.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | N/A | | | |

FIDELITY INVESTMENTS
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|------------------|---------------|------------------|----------------|------------------|------------------|
| Fidelity | 0.50% | -1.07% | n/a | n/a | n/a |
| Lehman Aggregate | 0.44% | -1.38% | n/a | | |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The portfolio outperformed LB AGG by 6 basis points in a generally positive bond market as the yield curve flattened. GDP growth was revised upward to 4.3% from the original 3.8% clip. The blistering economic expansion represents the fastest increase since the first quarter of 2004, as well as the 10th consecutive quarter of annual growth averaging close to 4.0%. In regards to inflation, consumer prices grew slightly more than expected in October after soaring at the quickest pace in 25 years in September, thus quelling investors' worries about inflation. The Consumer Price Index gained 0.2% in October, following a 1.2% jump in September. With inflation rising at the slowest rate in four months, however, the yield curve flattened during the month, with short term rates increasing slightly and long term rates falling.

Although the Lehman Aggregate Index increased 0.44% during November, most spread sectors were unable to outperform their same duration Treasury securities. The downward spiral of MBS persisted during the month as the sector trailed Treasuries by 13 basis points. Deteriorating fundamentals, the flattening yield curve, and a tightening Fed have merged together to dampen returns for the sector throughout most of this year. Agencies and ABS performed slightly more admirably by lagging Treasuries by 6 basis points and 3 basis points, respectively. The only sector able to generate positive relative performance for the month was the Credit sector, which bested Treasuries by 9 basis points, as strong third quarter corporate earnings and a surprisingly robust economy propelled returns for the sector. In corporate headline news, third quarter earnings growth continued to come in stronger than expected. Although earnings have posted double digit yearly gains for a record four consecutive quarters dating back to the first quarter of 2002, the recent gains have not been evenly distributed; almost half of the 2005 earnings increase has been absorbed by the Energy sector. In other news, negative bondholder developments lingered into November, with Time Warner and Tyco stepping up their willingness to consider alternatives to enhance shareholder value.

Contributors for the month came more from security selection in investment grade. Specifically, energy, transportation (airline EETCs) and utilities contributed. Within CMBS, security selection in below AAA rated securities benefited including those rated below investment grade. HYCMBS, which currently represents 10% of the portfolio, was a solid contributor during the month.

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

| | | | | |
|---------|---------------------|---|---------------------------|---------|
| Gained: | Number of Accounts: | 1 | Total Market Value (\$m): | 15 mil. |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ - |
| | Reason(s): | | | |

MANAGER STYLE SUMMARY

Fidelity manages a customized portfolio for PERSI, which falls outside of their traditional Core Plus product. The primary difference is the separate account structure of the 'plus' sectors, which include High Yield, Emerging Market Debt and High Yield Commercial Mortgage Backed Securities. This portfolio is expected to be more volatile than the traditional underlying product due to the tactical and concentrated nature of the 'plus' sectors.

FIDELITY INVESTMENTS
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

| PORTFOLIO GUIDELINE COMPLIANCE | | NOVEMBER 2005 | | | |
|--|----------|---------------|-------|---|-----------------------------|
| Portfolio Guideline: | Leh Aggr | Fidelity | Min | Max | Compliance |
| B2a. Sector Allocations | | | | | |
| North America | | | | | |
| Governments | | 32% | 0% | 100% | ok |
| MBS & ABS | | 41% | 0% | 60% | ok |
| Investment Grade Corporates | | 14% | 0% | 100% | ok |
| High Yield | | 0% | 0% | 40% | ok |
| High Yield CMBS | | 10% | 0% | 20% | ok |
| Non-US | | | | | |
| Emerging Market Debt | | 0% | 0% | 20% | ok |
| Investment Grade | | 0% | 0% | 40% | ok |
| B2a. Quality Allocations: Below Investment Grade | | | | | |
| U.S. | | 7% | 0% | 50% | ok |
| Non-\$ Denominated | | 0% | 0% | 20% | ok |
| B2b. Portfolio Characteristics | | | | | |
| Effective Duration | 4.51 | 4.40 | 3.00 | 7.00 | ok |
| Effective Convexity | -0.08 | -0.03 | -0.70 | 0.70 | ok |
| Coupon | 5.22 | 4.51 | 3.00 | 9.00 | ok |
| Current Yield | 4.92 | 4.38 | 3.00 | 9.00 | ok |
| Yield to Maturity | 5.17 | 5.32 | 3.00 | 9.00 | ok |
| Number of holdings | | 423 | 150 | 400 | |
| B2c. Credit Quality: Issues below Baa3 & BBB-/A2 and P2 | | | | | |
| | | 7% | 0% | 50% | ok |
| B2d. Derivatives: | | | | | |
| Original futures margin & option premiums | | 0% | 0% | 5% | ok |
| Short options positions hedged w/cash, cash equiv, current holdings or other positions | | | | | ok |
| B2e. Commodities: | | | | | |
| | | 0% | 0% | 5% | ok |
| B3a. Allocation to securities of any corporate issuer | | | | | |
| | | 1% | 0% | 5% | ok |
| B3b. Foreign currency forward contracts | | | | | |
| i. Sector allocations above apply to currency exposure | | | | | ok |
| ii. Aggregate forward exposure w/any single counterpart | | 0% | 0% | 25% | ok |
| v. Max value of forward w/any single counterparty | | 0% | 0% | 30% | ok |
| E2. Annual Turnover (including mortgage rolls) | | | | | |
| | | 269% | 150% | 450% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

GENESIS ASSET MANAGERS LIMITED
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|---------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Genesis | 7.15% | 10.42% | 35.17% | 39.72% | 25.00% |
| MSCI EM | 8.28% | 10.64% | 33.13% | 34.20% | 18.63% |

COUNTRY ALLOCATION COMPARISON

| <u>Over-weight</u> | <u>Genesis</u> | <u>EM</u> | <u>Under-weight</u> | <u>Genesis</u> | <u>EM</u> |
|--------------------|----------------|-----------|---------------------|----------------|-----------|
| Indonesia | 6.43% | 1.37% | Taiwan | 7.49% | 14.29% |
| Egypt | 4.36% | 0.75% | Brazil | 6.93% | 10.92% |
| Chile | 3.56% | 1.79% | Israel | 0.94% | 3.44% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Emerging markets performed well in November, a welcome rebound from the difficult previous month, though the portfolio underperformed the MSCI EM Index by over 1%. The main contributors to the return of the portfolio during the month came from Asia, and in particular South Korea, where Samsung Securities (up 40%), Kookmin Bank and Samsung Electronics all did well. TSMC (Taiwan) and Bank Rakyat (Indonesia) also made significant contributions, and among the few detractors, Orascom Construction (Egypt) and Brasil Telecom were the most notable. In relative terms, good returns from a few holdings in both Indonesia and Taiwan led to gains, but on the negative side a number of holdings underperformed in Brazil and Russia. In addition, after a strong run in 2005 the overweight position in the weak Egyptian market meant that some losses were incurred there. Significant gains were made in the Financials sector as a number of the Asian holdings did well, but these were more than offset by stock selection losses in the Consumer Staples, Consumer Discretionary and IT sectors.

Over the last three months the portfolio marginally underperformed the index. Taiwan added by far the most value to the portfolio on a relative basis over the period due to the large underweighting there. Gains were also made as a few South African and South Korean holdings performed well, notably Anglo American in the former and Samsung Securities in the latter. On the negative side, value was lost due to the underweight position in Brazil and negative stock selection in India and Russia. In sector terms, Financials and Materials added significant value through stock gains, but these were offset largely as a result of the poor return of Ranbaxy Laboratories (India) in the Health Care sector and Femsa (Mexico) in the Consumer Staples sector.

MANAGER STYLE SUMMARY

Genesis utilizes a "bottom-up" investment approach, whereby security selection is primarily based on individual stocks rather than country or regional prospects. An unusual aspect of their style is that they will limit the countries within their selection set to the World Bank list of emerging markets (based on per capita GDP), rather than the standard emerging markets indices. Thus, some of the countries within the emerging markets indices (i.e. Israel), are not a major focus of Genesis. Their unique style tends to keep Genesis out of fast-growing countries included in the emerging markets indices or country or regional successes rather than individual companies (i.e. Asia). Consequently, they can have periods of underperformance when these types of countries perform well.

GENESIS ASSET MANAGERS LIMITED
EMERGING MARKETS EQUITY: MSCI EM BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | Genesis | Compliance |
|---|---|-----------------------------|
| B2. Country allocations <=15% of value at cost | | ok |
| B3. EAFE securities <=10% of value at cost | | ok |
| B4. Security position <=4% of the account at purchase | | ok |
| B5. Number of Issues > 75 | 93 | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | ok |
| No executed forward w/o corresponding securities position | | ok |
| C2. Maximum forward with counterpart <= 30% of total mv of account | | ok |
| F2. Annual Turnover <= 100% | 24% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|-----|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | N/A | | | |

MONDRIAN INVESTMENT PARTNERS
INTERNATIONAL EQUITY: MSCI EAFE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|-----------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Mondrian | 2.23% | 2.76% | 14.63% | n/a | n/a |
| MSCI EAFE | 2.45% | 3.88% | 13.25% | 20.40% | 4.33% |

COUNTRY ALLOCATION COMPARISON

| <u>Over-weight</u> | <u>Mondrian</u> | <u>EAFE</u> | <u>Under-weight</u> | <u>Mondrian</u> | <u>EAFE</u> |
|--------------------|-----------------|-------------|---------------------|-----------------|-------------|
| Australia | 10.40% | 5.34% | Japan | 15.45% | 24.66% |
| Spain | 7.63% | 3.80% | Switzerland | 0.00% | 7.11% |
| United Kingdom | 27.09% | 24.59% | Sweden | 0.00% | 2.32% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The portfolio slightly lagged the index in November. An underweight allocation to the strong Japanese market held back returns, as did an overweight position in the weak Spanish market. These influences were only partly offset by the benefit of an overweight stance in the Netherlands, which performed relatively well.

The main highlights of the strategy being adopted for the account are: -

- A strong value-stock orientation
- Underweight position in the overvalued Japanese market
- Overweight position in the undervalued Australasian markets.
- Defensive currency hedge out of sterling.

MANAGER STYLE SUMMARY

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

MONDRIAN INVESTMENT PARTNERS
INTERNATIONAL EQUITY: MSCI EAFE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Index | Mondrian | Calc | Min | Max | Compliance |
|---|---------|----------|------|------|---|-----------------------------|
| B3. Security position <= 5% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 55 | | 40 | 60 | ok |
| B5. Normal Regional Exposures: | | | | | | ok |
| United Kingdom | | 27% | | 0% | 45% | ok |
| Europe ex U.K. | | 34% | | 0% | 75% | ok |
| Japan | | 15% | | 0% | 45% | ok |
| Pacific ex Japan | | 16% | | 0% | 40% | ok |
| Non-Index Countries | | 2% | | 0% | 20% | ok |
| Cash | | 5% | | 0% | 5% | check |
| Total | | 100% | | | | |
| B6. Normal Portfolio Characteristics | | | | | | |
| Capitalization | 51165.8 | 52838.8 | 103% | 25% | 100% | check |
| Price/Book Value | 2.3 | 2.5 | 109% | 50% | 125% | ok |
| Price/Earnings (Trailing) | 16.4 | 14.3 | 87% | 50% | 100% | ok |
| Price/Cash Flow | 9.5 | 8.0 | 84% | 50% | 100% | ok |
| Dividend Yield | 2.4 | 3.2 | 133% | 100% | 200% | ok |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterpart <= 30% of total mv of account | | | | | | ok |
| F2. Annual turnover | | 6% | | | 40% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B5. Regional Exposures: Cash figure includes income receivable of 0.26% and unrealised profit on GBP hedge of 0.18%. If these items are excluded, the cash position is below 5.00%.

B6. Capitalization: Slightly above Capitalization limit

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|-------|
| Gained: | Number of Accounts: | 7 | Total Market Value (\$m): | \$ | 278.0 |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |

MOUNTAIN PACIFIC INVESTMENT ADVISERS
DOMESTIC EQUITY: RUSSELL 2500 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|------------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Mountain Pacific | 5.56% | 3.98% | 7.87% | 15.38% | 9.32% |
| Russell 2500 | 4.83% | 2.12% | 12.08% | 21.00% | 10.90% |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>Mtn Pac</u> | <u>RU 2500</u> | <u>Sector Analysis</u> | | |
|------------------------|----------------|----------------|------------------------|----------------|----------------|
| | | | <u>Over-weight</u> | <u>Mtn Pac</u> | <u>RU 2500</u> |
| Mkt Value (\$m) | 303.72 | N/A | Capital Goods | 33.34% | 16.10% |
| Wtd Cap (\$b) | 7.40 | 2.13 | Healthcare | 18.60% | 11.30% |
| P/E | 20.40 | 21.60 | Financial | 16.57% | 23.60% |
| Beta | 1.04 | 0.80 | | | |
| Yield (%) | 0.97 | 1.16 | | | |
| Earnings Growth | 17.00 | 19.00 | <u>Under-weight</u> | <u>Mtn Pac</u> | <u>RU 2500</u> |
| | | | Consumer | 5.43% | 19.40% |
| | | | Energy | 0.00% | 7.30% |
| | | | Utilities | 0.00% | 6.60% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

In November 2005, our portfolio outperformed the benchmark RU 2500 by 73 basis points. During the month, our capital goods, technology, and consumer sectors outperformed the index. Our results were boosted by strong returns from our transportation and business services holdings, which were up 16.5% and 7.3%, respectively. C. H. Robinson Worldwide and Landstar Systems, both transportation providers, continued to benefit from tight freight capacity, advancing 15.5% and 11.8% respectively. However, our monthly results were adversely affected by an 18.2% decline in Patterson Companies, Inc., after the dental distributor reported disappointing quarterly earnings. As a result, we significantly reduced our position in Patterson Companies. We also liquidated our entire position in Expeditors International and reduced holdings in C. H. Robinson Worldwide and Fastenal Co., after strong recent gains. In the last three months, our portfolio outperformed the index by 186 basis points. During this period, transportation holdings gained 28.8%, and our capital goods, technology, and consumer sectors outperformed the index. Weak performance by our medical equipment and supply companies continued to hamper results. We continue to believe the economy will slow in 2006 due to the impact of higher interest rates and energy prices. In this environment, investors will seek companies that demonstrate consistent earnings growth and are reasonably valued.

MANAGER STYLE SUMMARY

Mountain Pacific manages a mid-to small-cap portfolio, employing a "GARP" (Growth At a Reasonable Price) investment strategy. Their portfolio holdings and characteristics will wander around the average stock in their benchmark, and they tend to favor companies which do not sell directly to the public and therefore, depend on sales to other businesses. Mountain Pacific runs a more concentrated portfolio than most, and as a result, their returns will diverge more dramatically from their benchmark, and sometimes for sustained periods.

MOUNTAIN PACIFIC INVESTMENT ADVISERS
DOMESTIC EQUITY: RUSSELL 2500 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | Mtn Pac | RU 2500 | Calc | Min | Max | Compliance |
|---|---------|---------|------|---------|---|--|
| B2. Security Market Cap (in \$m) | | | | \$100.0 | \$7,500.0 | ok |
| B3. Wtd Avg Cap | 7 | 2 | 347% | 80% | 120% | check |
| B4. Number of issues | 52 | | | 35 | 55 | ok |
| B5. Security Positions <= 4% @ purchase | | | | | | ok |
| B6a. P/E (12-mo trail) | 20.40 | 21.60 | 94% | 80% | 120% | ok |
| B6b. Beta | 1.04 | 0.80 | 1.30 | 0.80 | 1.20 | check |
| B6c. Yield | 0.97 | 1.16 | 84% | 80% | 120% | ok |
| B6d. Expected Earnings Growth | 17.00 | 19.00 | 89% | 80% | 120% | ok |
| E2. Commissions not to exceed \$0.06/share | | | | | | ok |
| E3. Annual Turnover | 17% | | | | 60% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B3. Wtd Avg Cap: Our Wtd Avg Cap exceeds that of the benchmark due to price appreciation of securities purchased. The median cap of the portfolio is 4.29 BB.

B6c. Yield: Our yield is slightly below the guideline range but not significantly so. Most of our companies pay little in dividends, instead plow earnings back in for growth.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

Gained: Number of Accounts:
Lost: Number of Accounts:
Reason(s): N/A

Total Market Value (\$m):
Total Market Value (\$m): \$ -

PEREGRINE CAPITAL MANAGEMENT
DOMESTIC EQUITY: RUSSELL 1000 GROWTH BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|---------------------|---------------|------------------|----------------|------------------|------------------|
| Peregrine | 5.41% | 6.66% | 12.45% | n/a | n/a |
| Russell 1000 Growth | 4.32% | 3.78% | 9.74% | n/a | n/a |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>Peregrine</u> | <u>RU 1000G</u> | <u>Sector Analysis</u> | | |
|------------------------|------------------|-----------------|------------------------|------------------|-----------------|
| | | | <u>Over-weight</u> | <u>Peregrine</u> | <u>RU 1000G</u> |
| Mkt Value (\$m) | 177.85 | N/A | Financial Svcs | 23.03% | 8.34% |
| Wtd Cap (\$b) | 79.70 | 82.18 | Technology | 23.82% | 21.90% |
| P/E | 19.00 | 19.00 | Other-Business | 8.16% | 5.91% |
| Beta | 1.35 | 1.04 | | | |
| Yield (%) | 0.70 | 1.10 | | | |
| Earnings Growth | 20.00 | 15.00 | <u>Under-weight</u> | <u>Peregrine</u> | <u>RU 1000G</u> |
| | | | Healthcare | 15.88% | 19.12% |
| | | | Consumer Stapl | 4.45% | 9.42% |
| | | | Producer Durab | 4.38% | 6.71% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

November price action erased October's decline and allowed the "stealth rally" in stocks to continue. The S&P 500 gained 3.8% while growth stocks, as measured by the Russell 1000® Growth Index advanced 4.3%. For the year to date through 11/30 large growth stocks have gained 5.6% vs 4.9% for the S&P 500 and 6.4% for large value stocks. This is quite a turn of events versus the last few years. Actually, growth stocks started out the year with very poor performance and have improved meaningfully since the first quarter.

Our style advanced 5.4% for the month, bringing returns through 11/30 to 9.3%. As a pure growth style we leverage the opportunities inherent in growth and this is reflected in both numbers. Turnover has been very low, with no new names added during the current quarter and no positions eliminated. We did trim our First Data position earlier as that company's growth prospects are slowly maturing.

We continue to view the economy as favorably positioned, with inflation remaining in check and corporate profitability still very good. The growth rate of profits is slowing, which is normal and will allow true growth stocks to stand out from the crowd once again after a three year period of unusually high growth for the average company. Market valuation looks reasonable, with large growth stocks unusually depressed. Psychology remains very cautious, which is good. Markets and stocks often go up for years on "bad psychology". The fundamentals and valuations of our holdings are especially attractive versus past norms.

MANAGER STYLE SUMMARY

Peregrine manages a large cap growth equity portfolio, utilizing a "bottom up" strategy, and focusing more on the future growth prospects of a firm rather than current earnings. We can expect the portfolio to include 30-50 securities, the P/E and P/B ratios to be slightly higher than that of the market, stock volatility to be slightly higher than the market, and dividend yield to be lower than average. Their style encourages overweight positions in traditional growth sectors such as technology, retail, business services, and financial services. Due to the concentrated nature of the portfolio, it will tend to be more volatile than more diversified portfolios.

PEREGRINE CAPITAL MANAGEMENT
DOMESTIC EQUITY: RUSSELL 1000 GROWTH BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | S&P 500 | Peregrine | Calc | Min | Max | Compliance |
|---|---------|-----------|------|------|---|-----------------------------|
| B2. Security Market Cap > \$1 billion | | | | | | ok |
| B3. Security position <=5% @ purchase, excluding contributions | | | | | | ok |
| B4. Number of issues | | 32 | | 30 | 50 | ok |
| B5. P/B | 2.85 | 4.69 | 1.6 | 1.2 | 2.0 | ok |
| B5. P/E (Projected) | 15.00 | 19.00 | 1.3 | 1.0 | 2.0 | ok |
| B5. Dividend Yield | 1.30 | 0.60 | 0.5 | 0.1 | 0.8 | ok |
| B5. Beta | 1.00 | 1.35 | 1.4 | 1.10 | 1.35 | ok |
| B5. Earnings Growth (5-year) | | 20% | | 11% | 22% | ok |
| F2. Commissions not to exceed \$0.05/share | | | | | | ok |
| F3. Annual Turnover | | 11% | | 15% | 30% | check |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

F3. Annual Turnover: Average Annual Turnover since Growth Equity inception (01/01/83) has been less than 25%

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | | |
|---------|-------------------------------------|---------------------------|----------------|
| Gained: | Number of Accounts: | Total Market Value (\$m): | \$ - |
| Lost: | Number of Accounts: 1 | Total Market Value (\$m): | \$91.4 million |
| | Reason(s): Re-structured their plan | | |

T. ROWE PRICE INTERNATIONAL INC.
INTERNATIONAL EQUITY: FTSE ALL WORLD EX U.S. BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|-----------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Rowe Price | 2.99% | 4.95% | 16.21% | 17.78% | 3.33% |
| FTSE AW ex U.S. | 3.25% | 4.65% | 16.25% | 22.62% | 6.11% |
| MSCI EAFE | 2.47% | 3.94% | 13.72% | 20.93% | 4.72% |

COUNTRY ALLOCATION COMPARISON

| <u>Over-weight</u> | <u>Rowe Price</u> | <u>AW x US</u> | <u>Under-weight</u> | <u>Rowe Price</u> | <u>AW x US</u> |
|--------------------|-------------------|----------------|---------------------|-------------------|----------------|
| Japan | 24.88% | 19.70% | United Kingdom | 13.93% | 19.78% |
| Greece | 4.41% | 0.47% | Canada | 1.84% | 5.89% |
| Italy | 6.77% | 3.59% | Germany | 2.66% | 5.86% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Performance Attribution

Your portfolio underperformed the benchmark during the month ended November 2005. From a sector perspective, stock selection contributed to relative performance, while allocation had a modest negative impact. The financials sector provided the largest contribution to relative performance, as stock selection within commercial banks was particularly strong. Stock selection and an underweight position within the consumer staples sector combined to produce a positive impact on relative results as well. Stock selection in information technology produced the largest negative impact on performance. In terms of countries, stock selection provided positive contributions while allocation detracted. Solid stock selection in Japan provided the largest relative contribution. Driven by positive stock selection in Italy, Germany, and France, holdings in the Europe ex U.K. region added to results. Conversely, holdings in the U.K. and Canada detracted from performance.

Your portfolio outperformed the benchmark during the three-month period ended November 2005. From a sector perspective, stock selection was the main contributor to relative performance, while the impact from allocation was negative. Stock selection in the financials sector was the key driver of the portfolio's outperformance, underpinned by holdings in commercial banks and real estate. Holdings in the consumer staples and industrials sectors also contributed. The consumer discretionary sector was an area of weakness, as weak stock selection hurt results. In terms of countries, stock selection and allocation were positive. Japan provided the largest contribution to relative results, underpinned by solid stock selection and an overweight to the country. Holdings in Germany and France aided results in the Europe ex U.K. region, and our overweight in Latin America proved beneficial. Conversely, holdings in the U.K. generated weak results and negatively impacted relative performance.

Strategy

The global economy, showing considerable resilience to high energy prices, still appears to be in an expansionary mode. The euro-zone economy continues to show signs of strength. Corporate profitability remains robust in most markets, and we expect companies to continue generating positive earnings growth, albeit at a slower rate. Japan's economic and financial recovery seems to be on solid ground, as the threat of deflation has begun to subside. Within emerging markets, fundamentals remain strong behind political stability, attractively valued currencies, and improvements in earnings and balance sheet quality. The threat of increased inflationary pressures in both the U.S. and Europe along with the possibility of further tightening by the Fed and increased vigilance on the part of the European Central Bank are concerns that could cause turbulence going forward. We still remain confident that we can continue to identify attractive investments in all the major sectors of the equity markets.

MANAGER STYLE SUMMARY

Rowe Price entails a "bottom-up" investment philosophy, whereby the primary emphasis is on security selection while country or regional weights are a secondary consideration. The portfolio will tend to have a large number of stocks, with characteristics and regional weightings similar to that of the benchmark. There is no obvious bias in market capitalization, price/earnings, or other attributes. Rowe Price represents a traditional and typical large international equity manager, whose returns in any single period should be around median, neither at the top or the bottom of the pack.

T. ROWE PRICE INTERNATIONAL INC.
INTERNATIONAL EQUITY: FTSE WORLD EX U.S. BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

OCTOBER

2005

| Portfolio Guideline: | Index | Rowe | Calc | Min | Max | Compliance |
|---|-------|---------|------|-------|---|-----------------------------|
| B3. Security position <= 5% of the account @ purchase | | | | | | ok |
| B4. Number of issues | | 140 | | 150 | 250 | check |
| B5. Normal Sector Exposures (Country Allocation): | | | | | | ok |
| Americas ex U.S. | | 8% | | 0% | 15% | ok |
| United Kingdom | | 14% | | 5% | 35% | ok |
| Europe ex U.K. | | 39% | | 15% | 65% | ok |
| Japan | | 25% | | 10% | 60% | ok |
| Pacific ex Japan | | 7% | | 2% | 25% | ok |
| Non-Index Countries | | 3% | | 0% | 25% | ok |
| Cash & Hedges | | 4% | | | | |
| Total | | 100% | | | | |
| B6. Normal Portfolio Characteristics | | | | | | |
| Capitalization | | \$1,519 | | \$125 | | ok |
| Price/Book Value | 2.38 | 2.9 | 122% | 80% | 180% | ok |
| Price/Earnings | 12.94 | 14.3 | 111% | 80% | 180% | ok |
| Price/Cash Flow | 9.9 | 14.8 | 149% | 80% | 180% | ok |
| Dividend Yield | 2.39 | 1.8 | 73% | 80% | 120% | check |
| C1. Currency or cross-currency position <= value of hedged securities | | | | | | ok |
| No executed forward w/o a corresponding securities position. | | | | | | ok |
| C2. Max forward w/ counterpart <= 30% of total mv of account | | | | | | ok |
| H2. Annual turnover | | 34% | | 15% | 45% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B4. Number of Issues:

ORGANIZATIONAL/PERSONNEL CHANGES

There have been no organizational changes to the firm nor structural changes to the product during November 2005. Inigo Mijangos has joined the London office as an Investment Analyst, and Francisco Sersale di Cerisano has joined the Buenos Aires International Equity team as an Associate Analyst. Also Richard Presley, an Investment Analyst has left the London Office.

ACCOUNT TURNOVER

| | | |
|---------|------------------------------------|---------------------------|
| Gained: | Number of Accounts: | Total Market Value (\$m): |
| Lost: | Number of Accounts: 0 | Total Market Value (\$m): |
| | Reason(s): Organizational Changes. | |

TCW VALUE OPPORTUNITIES
DOMESTIC EQUITY: RUSSELL MIDCAP VALUE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|----------------------|---------------|------------------|----------------|------------------|------------------|
| TCW | 7.22% | 2.06% | 10.76% | n/a | n/a |
| Russell Midcap Value | 3.53% | 1.72% | 15.89% | — | — |
| Russell 3000 | 3.89% | 2.84% | 9.80% | — | — |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>TCW</u> | <u>RU Mid</u> | <u>Sector Analysis</u> | | |
|------------------------|------------|---------------|------------------------|------------|---------------|
| Mkt Value (\$m) | 169.90 | N/A | <u>Over-weight</u> | <u>TCW</u> | <u>RU Mid</u> |
| Wtd Cap (\$b) | 4.77 | 7.59 | Info Tech | 32.96% | 8.26% |
| P/E | 18.06 | 17.74 | Health Care | 12.23% | 5.09% |
| Beta | 1.17 | 1.00 | Industrials | 12.01% | 7.04% |
| Yield (%) | 0.99 | 2.08 | | | |
| Earnings Growth | 15.54 | 11.40 | <u>Under-weight</u> | <u>TCW</u> | <u>RU Mid</u> |
| | | | Financials | 14.07% | 32.43% |
| | | | Utilities | 0.00% | 13.81% |
| | | | Materials | 2.62% | 7.36% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Our investment process remains focused on the underlying values of companies irrespective of the macro environment. Our style does not hug the benchmark because we buy undervalued companies irrespective of industry classification. Our only relevant questions are: "Is it a good business, and will it be a better business in five years, and when will the market recognize that the stock doesn't deserve to be cheap?"

The portfolio rebounded handsomely during the September quarter from the market sell off earlier this year only to be truncated by the twin hurricanes of Katrina and Rita. The dislocation caused by a shut down of refining capacity, coupled with worries over the impact on consumer spending of high gasoline, natural gas, and heating oil prices, sent the equity market into a downturn late in the quarter, temporarily halting the incipient rotation into our equity holdings, which are weighted towards industrial technology companies. While giving up some near term gains, the redeployment of our energy profits into various undervalued sectors of the market should ultimately be rewarded with outsized returns.

The stock market's preoccupation with the near term earnings momentum of energy, commodities, home building, and the like has diverted buying activity away from our core holdings. That is why we believe opportunity has presented itself as the market will inevitably rotate into this out of favor sector.

Our investment process has remained the same over the past decade and our patience will be generously rewarded when the market recognizes the inherent values in the companies we own. Value investing and market timing are often diametrically opposed as is now the case. There appears to be a reality gap between the depressed shares of our companies and their improving fundamentals. We would expect more favorable performance once the Federal Reserve signals a less restrictive monetary policy.

MANAGER STYLE SUMMARY

TCW is a "bottom-up" manager, implementing a "Value Opportunities" investment strategy, which seeks to add value by investing in small- and medium-capitalization companies that are currently undervalued. The key to their strategy is to identify the basis for the undervaluation and the related catalyst which will result in a realization of true company value. The portfolio will tend to hold a minimum of 45 securities and exhibit low P/E and P/B ratios.

TCW VALUE OPPORTUNITIES
DOMESTIC EQUITY: RUSSELL MIDCAP VALUE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER

2005

| Portfolio Guideline: | TCW | RU Mid | Min | Max | Compliance |
|---|-------|--------|-------|---|------------|
| B2. Security Market Cap (in \$m) > \$100 m @ purchase | | | | | ok |
| B3. Security Positions <= 20% @ purchase | | | | | ok |
| B4. Number of issues | 58 | | 45 | 200 | ok |
| B5. Portfolio Characteristics | | | | | |
| Capitalization (in \$B) | 4.6 | | \$1.0 | \$4.5 | check |
| P/B | 2.06 | 2.03 | 1.8 | 3.3 | ok |
| P/E (IBES Projected) | 18.06 | 14.73 | 9.1 | 26.0 | ok |
| Dividend Yield | 0.99 | 2.08 | 0.6 | 1.3 | ok |
| Earnings Growth | 15.54 | 11.40 | 3.9 | 15.7 | ok |
| F2. Commissions not to exceed \$0.05/share (or semi-annual explanation required) | | | | | ok |
| F3. Annual Turnover | 109% | | | 140% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

B5. Capitalization: Typically TCW Value Opportunities runs a bit higher due to some larger capitalization companies.

T/O computation not relevant since portfolio commenced 6/07/04.

ORGANIZATIONAL/PERSONNEL CHANGES

None.

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |

TUKMAN CAPITAL MANAGEMENT, INC.
DOMESTIC EQUITY: S&P 500 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|---------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Tukman | 3.00% | 4.00% | 0.60% | 5.90% | 1.50% |
| S&P 500 | 3.70% | 2.80% | 8.30% | 12.10% | 8.30% |

PORTFOLIO ATTRIBUTES

| <u>Characteristics</u> | <u>Tukman</u> | <u>S&P 500</u> | <u>Sector Analysis</u> | | |
|------------------------|---------------|--------------------|------------------------|---------------|--------------------|
| Mkt Value (\$m) | 254.00 | N/A | <u>Over-weight</u> | <u>Tukman</u> | <u>S&P 500</u> |
| Wtd Cap (\$b) | 142.00 | 88.20 | Cons Staples | 21.80% | 7.50% |
| P/E | 16.00 | 18.00 | Cons Disc | 18.90% | 12.20% |
| Beta | 0.90 | 1.00 | Other | 8.40% | 5.00% |
| Yield (%) | 1.52 | 1.88 | | | |
| Earnings Growth | 11.00 | 11.60 | <u>Under-weight</u> | <u>Tukman</u> | <u>S&P 500</u> |
| | | | Energy | 0.00% | 13.50% |
| | | | Utilities | 0.00% | 7.40% |
| | | | Healthcare | 7.00% | 12.90% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

The Tukman portfolio underperformed the S&P 500 Index for the month of November but outperformed for the trailing three months. Our two technology stocks, IBM and MicroSoft, were the top performers for the month. Prices rebounded off previous lows as both company's third quarter earning exceeded expectations. Anheuser Busch was also a top performing stock for November after posting improved market share volumes.

The bottom performers for the month and the last three months were Pfizer and Gannett. Pfizer missed its third quarter earnings due to lower prescription drug growth trends and increased competition for Lipitor. Gannett met lowered earnings expectations but net income declined at its television stations while newspapers suffered ad sales declines and higher newsprint expenses.

Shares of Pfizer were trimmed due to fundamental deterioration of the stock while shares of Goldman Sach were trimmed on continued strength of the stock. The Tukman portfolio remains invested in high quality, cash generating, large capitalization stocks which continue to be undervalued and out of favor with investors. We believe that quality stock valuation's will improve in the months ahead and result in improved performance for our stocks.

MANAGER STYLE SUMMARY

Tukman's investment strategy is "Concentrated Quality GARP" (Growth At a Reasonable Price), whereby the portfolio is a concentrated mix of about 10-20 large capitalization stocks of quality companies who are leaders in their sectors, have demonstrated consistent earnings growth, have clear prospects for future earnings growth, and trade at values at or slightly below the average S&P 500 company. This style is similar to that of Warren Buffet. Due to the portfolio concentration, it tends to be more volatile than other widely diversified portfolios. Consequently, they can lag significantly behind their benchmark for a period of time, then rapidly make up the difference and/or outperform relative to their benchmark.

TUKMAN CAPITAL MANAGEMENT, INC.
DOMESTIC EQUITY: S&P 500 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

SEPTEMBER

2005

| Portfolio Guideline: | S&P 500 | Tukman | Calc | Min | Max | Compliance |
|---|---------|--------|------|-----|---|-----------------------------|
| B2. Security Market Cap (in \$m) | | | | | | ok |
| B3. Wtd Avg Cap > \$10 billion | | | | | | ok |
| B4. Number of issues | | 16 | | 10 | 20 | ok |
| B5. Security Positions <= 15% @ purchase | | | | | | ok |
| B6a. P/E (projected) | 19.00 | 16.00 | 1.2 | 0.8 | 1.3 | ok |
| B6b. Beta | 1.00 | 0.88 | 1.1 | 0.8 | 1.3 | ok |
| B6c. Yield | 1.88 | 1.52 | 124% | 50% | 150% | ok |
| B6d. Expected Earnings Growth | 11.60 | 11.00 | 1.1 | 0.7 | 1.3 | ok |
| E2. Commissions not to exceed \$0.05/share | | | | | | ok |
| E3. Annual Turnover | | 20% | | 5% | 45% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

None

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|-------|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 2 | Total Market Value (\$m): | \$ | 183.0 |
| | Reason(s): | Performance related and manager structure change. | | | |

WESTERN ASSET MANAGEMENT- CORE FULL DISCRETION
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last <u>Month</u> | Last <u>3 Months</u> | Last <u>1 Year</u> | Last <u>3 Years*</u> | Last <u>5 Years*</u> |
|------------------|----------------------|-------------------------|-----------------------|-------------------------|-------------------------|
| Western | 0.37% | -1.70% | n/a | n/a | n/a |
| Lehman Aggregate | 0.44% | -1.38% | n/a | n/a | n/a |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Performance Attribution—November

Strategies produced mixed results last month. Our tactically overweight duration position benefited marginally as most bond yields fell. Our bulleted exposure to maturities detracted from performance as the yield curve flattened. A modest overweight exposure to lower quality corporate and high-yield bonds produced mixed results; an overweight to the sector added to returns since the sector performed well, but performance suffered due to an emphasis on auto sector issues, particularly GM and GMAC, when spreads widened. Our moderate exposure to emerging market debt contributed to performance as spreads narrowed. Nondollar bond exposure detracted from performance last month as European yields moved up relative to their U.S. counterparts. An overweight exposure to the mortgage-backed sector detracted from performance as spreads widened. A moderate exposure to intermediate-maturity TIPS also detracted somewhat from returns, since real yields rose significantly relative to their nominal counterparts, largely offsetting the outsized inflation adjustment for the month.

Outlook and Strategy

There are a number of economic indicators that suggest the economy should remain healthy, but we worry about the risk of a weaker, rather than a stronger economy over the course of the next year. On the positive side: tax rates on capital are low, capital spending is strong, corporate profits are strong, federal revenues are strong, monetary policy is non-threatening, productivity growth is healthy, and spreads are generally tight. On the negative side: the housing market is vulnerable given inflated prices and rising interest rates; expensive energy represents a tax on growth; the weakness in the auto sector could spread to other areas of the economy; and the risk of higher taxes implied by extra Katrina-related spending is not insignificant, particularly if Congress fails to extend the current higher exemption limits on the Alternative Minimum Tax.

With the core PCE deflator currently just below the upper end of the Fed's 1-2% comfort zone, any economic slowdown would likely be met with a pause in the Fed's tightening campaign. Since the bond market currently expects the Fed to raise rates at least three more times, a slower economy would likely translate into lower short-term interest rates. A tactically overweight duration exposure concentrated in the front end of the yield curve could thus prove to be a valuable hedge in the event of an economic slowdown, while at the same time not exposing portfolios to undue downside risk. In addition, we continue to see TIPS as an attractive hedge against the likelihood that inflation will come in on the high side of expectations.

Credit spreads are fairly tight, but we don't see a reason to be overly concerned for now. Looking out over the next year or so, we need to be prepared for the time when the profits picture deteriorates, if indeed it does. We think this calls for a modestly overweight exposure to intermediate BBB and high-yield bonds, while remaining broadly neutral to the corporate sector. Emerging market debt is losing its appeal as spreads reach ever-lower levels, so reduced exposure is prudent even while recognizing that fundamentals—global growth, low interest rates and strong commodity markets—remain supportive of those with larger debt burdens. Meanwhile, mortgage spreads have risen to levels that warrant a moderately overweight exposure, in particular to lower coupon issues with limited extension risk. Finally, nondollar markets offer select opportunities for diversification and potential upside gains, but we are hedging most or all of the currency risk associated with these positions.

MANAGER STYLE SUMMARY

Western manages a customized portfolio for PERSI, which falls outside of their traditional product offerings. While the product is called, "Core Full Discretion" (one of their traditional products), Western has the flexibility to invest in global inflation-linked bonds and to take bigger bets where they see the opportunity. As such, this portfolio is more volatile than the traditional underlying product. This global mandate allows Western to hold foreign, non-dollar denominated securities, take currency positions, and enter into futures, options and swaps contracts.

WESTERN ASSET MANAGEMENT- CORE FULL DISCRETION
GLOBAL FIXED: LEHMAN AGGREGATE BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | Western | Min | Max | Compliance |
|--|---------|--------|---|-----------------------------|
| C. Weighted average duration including futures positions | 11.00 | -30.00 | 30.00 | ok |
| C4 (2): Sector Allocation | | | | |
| a. Non-dollar denominated securities | | 0% | 40% | ok |
| Un-hedged non-dollar denominated securities | | 0% | 20% | ok |
| b. U.S. securities rated below investment grade (BIG) | | 0% | 40% | ok |
| c. Non-dollar, Non-U.S. securities rated BIG | | 0% | 20% | ok |
| d. Non-dollar denominated+emerging mkt+high yield | | 0% | 50% | ok |
| C4 (3): Issuer | | | | |
| a. Guaranteed by US gov, agencies, gov-sponsored corp or G-7 | | 0% | 100% | ok |
| b. Other national governments - limit per issuer | | 0% | 10% | ok |
| c. Private MBS/ABS - limit per issuer | | 0% | 10% | ok |
| If collateral is credit-independent of issuer & security's credit enhancement is generated internally - limit per issuer | | 0% | 25% | ok |
| d. Obligations of other issuers subject to per issuer limit | | 0% | 5% | ok |
| C4 (5): Credit | | | | |
| No more than 40% of portfolio below Baa3 or BBB-/A2 or P2 | 11% | 0% | 40% | ok |
| C4 (7): Derivatives | | | | |
| Original futures margin and options premiums, exclusive of any in-the-money portion of the premiums | | 0% | 5% | ok |
| F2. Annual Turnover | 124% | 100% | 200% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

Annual Turnover: inception date: 12-16-04

percentages are based off market values that have not yet been reconciled

ORGANIZATIONAL/PERSONNEL CHANGES

ACCOUNT TURNOVER

| | | |
|---------|---------------------|---------------------------|
| Gained: | Number of Accounts: | Total Market Value (\$m): |
| Lost: | Number of Accounts: | Total Market Value (\$m): |
| | Reason(s): | |

ZESIGER CAPITAL GROUP LLC
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

FOR THE MONTH OF: **NOVEMBER** **2005**

MANAGER PERFORMANCE CALCULATIONS

* Annualized returns

| | Last Month | Last 3 Months | Last 1 Year | Last 3 Years* | Last 5 Years* |
|-----------------|---------------|------------------|----------------|------------------|------------------|
| Zesiger Total | 6.03% | 7.08% | 20.23% | 21.59% | 6.40% |
| Zesiger Private | 4.80% | -2.85% | 5.74% | -7.70% | n/a |
| Zesiger Public | 6.09% | 7.65% | 20.92% | 24.97% | n/a |
| MSCI ACWI | 3.69% | 3.98% | 12.91% | 17.27% | 3.25% |
| Wilshire 5000 | 4.03% | 2.94% | 10.07% | 14.15% | 2.47% |

PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS

Total portfolio performance for November was strong as it outperformed both the MSCI ACWI and Wilshire 5000.

The international portion of the portfolio again assumed strong leadership. This undoubtedly reflects continued increase in liquidity in the Asian markets where the international sector is generally focused. Performance was broad and strong. No particular country or company in this part of the portfolio stood out more than the others. It is interesting to note that there is renewed interest in local equities by Korean investors. There is increased money flows into Korean Investment Trust Companies ["ITC's"], which augurs well for a continued rerating of the Korean market.

We added one new position to the international sector: Indian Cements, a GDR - IPO. This company appears to be successfully turning itself around after amassing considerable debt in the 1990's at a time when the cement market fell apart in India. Based in Chennai in southern India, the company is a play on that region's strong infrastructure development, particularly roads and airports. Most of the larger cement companies are based farther north.

The domestic portion of the portfolio underperformed relative to its indices largely based on the successful but untimely secondary offering of Durect Corporation. The financing was ill-timed and not essential; the company had plenty of money in the bank. It was also poorly executed by the bankers. Fortunately money raising is now behind the company, and it can continue to concentrate on what it clearly does best - its growing pipeline of drug delivery platforms. During November the company announced the validation of the commercial potential of its sustained released oral gel-cap technology. Using this technology, Pain Therapeutics and King Pharmaceuticals have entered into a strategic alliance to develop and commercial a long-acting, abuse-deterrent oral formulation of oxycodone.

There are no fundamental changes taking place in the portfolio at this time.

MANAGER STYLE SUMMARY

Zesiger's unique mandate is best described as an "absolute total return" strategy: they are allowed to invest in any publicly traded equity or debt instrument (excluding derivatives) and private equity (which is also tracked by Hamilton Lane). Zesiger's style entails more of a long-term trend and growth orientation, which favors small growth stocks (particularly bio-tech), emerging markets and private equity -- this implies high volatility. Judgements regarding Zesiger's performance should entail a long-term (at least 5 yrs) perspective, given their style. Portfolio characteristics will tend to be growth-oriented, with a tendency for country allocations to be in less-developed countries. Zesiger will not track any particular index well.

ZESIGER CAPITAL GROUP LLC
GLOBAL EQUITY: WILSHIRE 5000 BENCHMARK

PORTFOLIO GUIDELINE COMPLIANCE

NOVEMBER 2005

| Portfolio Guideline: | Zesiger | Min | Max | Compliance |
|---|---------|-----------------------------------|---|-----------------------------|
| B3. Security position <= 5% of the account @ purchase | | | | ok |
| B4. Number of issues | 91 | 80 | 160 | ok |
| B5. Normal Country Exposures: | | | | |
| United States & Canada | 48% | 30% | 100% | ok |
| Americas ex U.S. | 4% | 0% | 25% | ok |
| United Kingdom | 0% | 0% | 25% | ok |
| Europe ex U.K. | 4% | 0% | 40% | ok |
| Japan | 3% | 0% | 45% | ok |
| Pacific ex Japan | 27% | 0% | 35% | ok |
| Non-Index Countries | 6% | 0% | 15% | ok |
| Cash & Hedges | 8% | | | |
| Total | 100% | (does not have to add up to 100%) | | |
| C1. Currency or cross-currency position <= value of hedged securities | | | | ok |
| No executed forward w/o corresponding securities position | | | | ok |
| C2. Maximum forward with counterpart <= 30% of total mv of account | | | | ok |
| F2. Brokerage commissions not to exceed \$0.06/share | | | | ok |
| F3. Annual Turnover | 25% | | 100% | ok |
| The portfolio is in compliance with all other aspects of the Portfolio Guidelines | | | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES

There were no deviations.

ORGANIZATIONAL/PERSONNEL CHANGES

none

ACCOUNT TURNOVER

| | | | | | |
|---------|---------------------|---|---------------------------|----|---|
| Gained: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| Lost: | Number of Accounts: | 0 | Total Market Value (\$m): | \$ | - |
| | Reason(s): | | | | |